

Background

The notice of a public hearing on a proposed rulemaking that is the subject of this document is under section 1297(b)(2)(B) of the Internal Revenue Code.

Need for Correction

As published, the notice of a public hearing on a proposed rulemaking (REG-108214-15) contains an error that is misleading and is in need of clarification.

Correction to Publication

Accordingly, the notice of a public hearing on a proposed rulemaking, that is the subject of FR Doc. 2015-20468, is corrected as follows:

1. On page 50239, in the preamble, column 3, under the caption “SUPPLEMENTARY INFORMATION”, the last line of the first full paragraph, the language “topic by Wednesday, August 19, 2015” is corrected to read “topic by Wednesday, August 26, 2015”.

Martin V. Franks,

Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedure and Administration).

[FR Doc. 2015-20849 Filed 8-19-15; 4:15 pm]

BILLING CODE 4830-01-P

POSTAL REGULATORY COMMISSION

39 CFR part 3050

[Docket No. RM2015-19; Order No. 2666]

Periodic Reporting

AGENCY: Postal Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is noticing a recent Postal Service filing requesting that the Commission initiate an informal rulemaking proceeding to consider changes to analytical principles relating to periodic reports (Proposal Ten). This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* September 17, 2015. *Reply Comments are due:* September 28, 2015.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202-789-6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

On August 12, 2015, the Postal Service filed a petition pursuant to 39 CFR 3050.11 requesting that the Commission initiate an informal rulemaking proceeding in order to consider changes in analytical principles relating to periodic reports.¹ Proposal Ten is attached to the Petition and proposes an analytical method change related to the proposed merger of Cost Segments 3 and 4 for purposes of constructing the Cost and Revenue Analysis (CRA) Report. Petition at 1.

II. Proposal Ten

A. Background

As background, the Postal Service explains that the historical reason for separation of Cost Segment 4, which requires costs for small post offices to be isolated and transparent, occurred when decisions to close some small post offices were under consideration. *Id.* Proposal Ten at 1. However, where postmasters (whose costs are reflected in Cost Segment 1) in small post offices (identified by the Postal Service as “CAG K” and “CAG L” offices)² may be doing all of the tasks with no clerks, it is difficult to use Cost Segment 4 to adequately measure labor costs at these post offices. Proposal Ten at 1.

The In-Office Cost System (IOCS) maintains a separate panel for CAG K finance numbers that generally have one clerk. When the clerk is no longer there, no IOCS readings can be obtained and, as the number of IOCS reading of CAG K offices declines, the sampling variation increases until the sample is refreshed. Data suggest product costs in Cost Segment 4 are not statistically different from other small offices. *Id.* at 2.

The Postal Service further explains that the POSTPlan had potentially confusing impacts in Cost Segments 3

and 4. The Postal Service indicates that Postmaster Reliefs working at POSTPlan³ post offices were subject to reductions in force as a result of a September 5, 2014, ruling on an American Postal Workers Union arbitration that required four-hour and six-hour post offices to be assigned to clerks. According to the Postal Service, the effect of the ruling is that clerk costs in Cost Segments 3 and 4 may complicate the analysis of the effects of POSTPlan. Furthermore, the Postal Service explains that recent cost increases in Cost Segment 4 are the result of reclassifying postmaster positions and shifting these positions from Cost Segment 1 to clerks in Cost Segments 3 and 4. *Id.* at 3.

B. Proposal

Under the proposal, for Fiscal Year 2015, the IOCS would include data from CAG K and L post offices with data from CAG H and J post offices, and their trial balance amounts used as control totals for full-time and part-time clerks would be merged and treated as one stratum when refreshed. *Id.* at 3-4.

Cost Segment 4 Trial Balance Accounts would be merged into the corresponding 5-digit accounts in Cost Segment 3, creating a revised “Cost Segment 3 & 4” worksheet. The Cost Segment 3 account numbers and titles would be retained and the CRA Component would be expanded to “253 & 42.” Other conforming Trial Balance worksheet changes would be made, but the merger will not affect the “Outputs to CRA” and “Product specific” tabs in the Trial Balance. *Id.* at 4.

In the Cost Segment 3 B workpapers, CAG K and L clerk costs would be incorporated into the Trial Balance control for Cost Segment 3. These changes would combine former Cost Segment 4 with the non-MODS office group in Cost Segment 3, and subject the mail processing, window service, and administrative activities at CAG K and L offices to the accepted cost methodology for each component. *Id.* Cost Segment 3 output spreadsheets and other reports would be unchanged. *Id.* The only change to the CRA Cost Model is to remove lines in the control table on sheets “Comp Master” and “DK Addends” relating to Cost Segment 4. *Id.*

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Ten), August 12, 2015 (Petition).

² “CAG” refers to “cost ascertainment group” and is a method used by the Postal Service that classifies post offices based on volume of revenue generated. CAG K offices have 36-189 revenue units, and CAG L offices have less than 36. See Glossary of Postal Terms available at <https://usps.com/publications/pub32>.

³ The POSTPlan is a Postal Service initiative to match post office retail hours with workload, and represents an alternative, namely reducing retail window hours, in lieu of closing a post office. See Docket No. N2012-2, Advisory Opinion on Post Office Structure Plan, August 23, 2012.

C. Rationale

The Postal Service's rationale for Proposal Ten is that clerk costs in Cost Segment 4 have increased recently as clerks are appointed or assigned to former postmaster positions. *Id.* at 5. Moreover, because the CAG criterion using revenue amount to define Cost Segment 4 is sufficiently different from the transaction volumes used in POSTPlan to designate post offices for reduction in hours, CAG K costs are not a valid proxy for POSTPlan office costs. *Id.* The Postal Service further says the cost classification rationale for Cost Segment 4 is similar to Cost Segment 3 cost components because CAG K and L clerks perform a corresponding mix of activities such as mail processing, window service, and administrative components. However, Cost Segment 4 has limited IOCS sample data and some products have no Cost Segment 4 tallies, which results in zero measured costs in a given year.

The Postal Service concludes that incorporating Cost Segment 4 costs with other post office costs would be a more reliable analysis for cost attribution and in line with Cost Segment 3 methodology. It would result in a better assessment of clerk costs and avoid distortions from analyzing Cost Segment 4 separately. *Id.*

Proposal Ten includes a table demonstrating the impact of merging Cost Segment 4 costs with Cost Segment 3 costs by product. It shows a cost difference from a merger of \$1,412,000 out of \$12,945,185,000 or a 0.01 percent difference.⁴ *Id.* at 6.

III. Initial Commission Action

The Commission establishes Docket No. RM2015–19 for consideration of matters raised by the Petition. Additional information concerning the Petition may be accessed via the Commission's Web site at <http://www.prc.gov>. Interested persons may submit comments on the Petition and Proposal Ten no later than September 17, 2015. Reply comments are due no later than September 28, 2015. Pursuant to 39 U.S.C. 505, the Commission designates Kenneth R. Moeller to serve as an officer of the Commission (Public Representative) representing the interests of the general public in this proceeding.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. RM2015–19 for consideration of the

matters raised by the Petition of the United States Postal Service Requesting Initiation of a Proceeding to Consider a Proposed Change in Analytical Principles (Proposal Ten), filed August 12, 2015.

2. Comments are due no later than September 17, 2015. Reply comments are due no later than September 28, 2015.

3. Pursuant to 39 U.S.C. 505, the Commission appoints Kenneth R. Moeller to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Shoshana M. Grove,
Secretary.

[FR Doc. 2015–20633 Filed 8–20–15; 8:45 am]

BILLING CODE 7710–FW–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R07–OAR–2015–0564; FRL–9932–82–Region 7]

Approval and Promulgation of Air Quality Implementation Plans; State of Kansas; Cross State Air Pollution Rule

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve revisions to the State Implementation Plan (SIP) for the State of Kansas submitted on March 30, 2015. This SIP revision provides Kansas' state-determined allowance allocations for existing electric generating units (EGUs) in the State for the 2016 control periods and replaces the allowance allocations for the 2016 control periods established by EPA under the Cross-State Air Pollution Rule (CSAPR). The CSAPR addresses the “good neighbor” provision of the Clean Air Act (CAA or Act) that requires states to reduce the transport of pollution that significantly affects downwind nonattainment and maintenance areas. EPA is proposing to approve Kansas' SIP revision, incorporate the state-determined allocations for the 2016 control periods into the SIP, and amend the regulatory text of the CSAPR Federal Implementation Plan (FIP) to reflect approval and inclusion of the state-determined allocations. EPA is

proposing to approve Kansas' SIP revision because it meets the requirements of the CAA and the CSAPR requirements to replace EPA's allowance allocations for the 2016 control periods. This action is being proposed pursuant to the CAA and its implementing regulations. EPA's allocations of CSAPR trading program allowances for Kansas for control periods in 2017 and beyond remain in place until the State submits and EPA approves state-determined allowance allocations for those control periods through another SIP revision. The CSAPR FIPs for Kansas remain in place until such time as the State decides to replace the FIPs with a SIP revision.

DATES: Comments on this proposed action must be received in writing by September 21, 2015.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R07–OAR–2015–0564, by mail to Lachala Kemp, Environmental Protection Agency, Air Planning and Development Branch, 11201 Renner Boulevard, Lenexa, Kansas 66219. Comments may also be submitted electronically or through hand delivery/courier by following the detailed instructions in the **ADDRESSES** section of the direct final rule located in the rules section of this **Federal Register**.

FOR FURTHER INFORMATION CONTACT:

Lachala Kemp, Environmental Protection Agency, Air Planning and Development Branch, 11201 Renner Boulevard, Lenexa, Kansas 66219 at (913) 551–7214 or by email at kemp.lachala@epa.gov.

SUPPLEMENTARY INFORMATION: In the final rules section of this **Federal Register**, EPA is approving the state's SIP revision as a direct final rule without prior proposal because the Agency views this as a noncontroversial revision amendment and anticipates no relevant adverse comments to this action. A detailed rationale for the approval is set forth in the direct final rule. If no relevant adverse comments are received in response to this action, no further activity is contemplated in relation to this action. If EPA receives relevant adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed action. EPA will not institute a second comment period on this action. Any parties interested in commenting on this action should do so at this time. Please note that if EPA receives adverse comment on part of this rule and if that part can be severed from the remainder of the rule, EPA may adopt as final those parts of the rule that

⁴ The Postal Service references files from FY 2014 Annual Compliance Report, USPS–FY14–32 and two additional files attached electronically.