

delegation, in any case in which a Commission employee delegated authority under this paragraph believes it appropriate, he or she may submit to the Commission for its consideration the question of whether an extension of time should be granted. The delegation of authority in this paragraph shall not prohibit the Commission, at its election, from exercising the authority set forth in paragraph (f)(5) of this section.

Issued in Washington, DC, on August 8, 2016, by the Commission.

Christopher J. Kirkpatrick,
Secretary of the Commission.

Note: The following appendix will not appear in the Code of Federal Regulations.

**Appendix to Chief Compliance Officer
Annual Report Requirements for
Futures Commission Merchants, Swap
Dealers, and Major Swap Participants;
Amendments to Filing Dates—
Commission Voting Summary**

On this matter, Chairman Massad and Commissioners Bowen and Giancarlo voted in the affirmative. No Commissioner voted in the negative.

[FR Doc. 2016–19231 Filed 8–11–16; 8:45 am]

BILLING CODE 6351–01–P

DEPARTMENT OF THE INTERIOR

Bureau of Safety and Environmental Enforcement

30 CFR Part 250

[Docket ID: BSEE–2016–0004; 16XE1700DX
EEEE500000 EX1SF0000.DAQ000]

RIN 1014–AA32

Oil and Gas and Sulfur Operations in the Outer Continental Shelf— Decommissioning Costs for Pipelines

AGENCY: Bureau of Safety and
Environmental Enforcement,
Department of the Interior.

ACTION: Proposed rule.

SUMMARY: The Bureau of Safety and Environmental Enforcement (BSEE) proposes to amend the regulations requiring lessees and owners of operating rights to submit summaries of actual decommissioning expenditures incurred for certain decommissioning activities related to oil and gas and sulfur operations on the Outer Continental Shelf (OCS). The proposed rule would expand the scope of the current regulations to require lessees, owners of operating rights, and right-of-way (ROW) holders to submit summaries of actual expenditures incurred for pipeline decommissioning activities.

DATES: Submit comments by September 12, 2016. BSEE may not fully consider comments received after this date. You may submit comments to the Office of Management and Budget (OMB) on the information collection burden in this proposed rule by September 12, 2016.

ADDRESSES: You may submit comments on this proposed rulemaking by any of the following methods. Please use the Regulation Identifier Number (RIN) 1014–AA32 as an identifier in your message. BSEE may post all submitted comments on a public Web site.

1. Submit comments electronically via the Federal eRulemaking Portal: <http://www.regulations.gov>. In the entry titled “Enter Keyword or ID,” enter BSEE–2016–0004, then click “Search.” Follow the instructions to submit public comments and view supporting and related materials available for this proposed rulemaking.

2. Mail or hand-carry comments to the Department of the Interior (DOI); Bureau of Safety and Environmental Enforcement; Attention: Regulations and Standards Branch; 45600 Woodland Road, Sterling, VA 20166, VAE–ORP. Please reference “Decommissioning Costs for Pipelines, 1014–AA32” in your comments and include your name and return address.

3. Comments on the information collection contained in this proposed rule should be submitted separately from those on the substance of the proposed rule. Send comments on the information collection burden in this proposed rule to: OMB, Interior Desk Officer 1014–AA32, 202–395–5806 (fax); or email: OIRA_submission@omb.eop.gov. Please send a copy of your comments to BSEE using one of the methods previously described.

FOR FURTHER INFORMATION CONTACT:
Betty Cox, Regulatory Analyst,
Regulations and Standards Branch,
Betty.Cox@bsee.gov, (703) 787–1616.

SUPPLEMENTARY INFORMATION:

BSEE’s Functions and Authority

BSEE promotes safety, protects the environment, and conserves natural resources through vigorous regulatory oversight and enforcement of certain activities on the OCS. BSEE derives its authority primarily from the Outer Continental Shelf Lands Act (OCSLA), 43 U.S.C. 1331–1356a. Congress enacted OCSLA in 1953, codifying Federal control over the OCS and authorizing the Secretary of the Interior (Secretary) to regulate oil and natural gas exploration, development, and production operations on the OCS. The Secretary has authorized BSEE to perform certain of these functions,

including overseeing decommissioning. (See 30 CFR 250.101; 30 CFR part 250, subpart Q.) To carry out its responsibilities, BSEE regulates exploration, development, and production of oil and natural gas to enhance safety and environmental protection in a way that reflects advancements in technology and new information. BSEE also conducts onsite inspections to ensure compliance with regulations, lease terms, and approved plans or permits. Detailed information concerning BSEE’s regulations and guidance for the offshore industry may be found on BSEE’s Web site at: www.bsee.gov/Regulations-and-Guidance/index.

Public Participation and Availability of Comments

BSEE encourages you to participate in this proposed rulemaking by submitting written comments, as discussed in the **ADDRESSES** and **DATES** sections of this proposed rule. This proposed rule provides 30 days for public comment for the following reasons. The need for submission of actual decommissioning cost information for plugging wells, removing platforms, and clearing of sites was explained in a proposed rule published on May 27, 2009 (74 FR 25177) and a final rule published on December 4, 2015 (80 FR 75806). That final rule addressed and responded to all of the relevant comments submitted on the proposed rule. This proposed rule would extend the existing requirements for submitting summaries of actual decommissioning costs (30 CFR 250.1704(i) and (j)) to pipelines. The reasons for this proposed rule, as discussed in the Background and Purpose of Proposed Amendment sections of this notice are effectively the same for pipelines as the reasons discussed in the December 4, 2016 rule for the reporting of decommissioning costs for other facilities. BSEE does not expect that public comments on this proposed rule are likely to raise any significant issues that were not raised in the earlier decommissioning cost reporting rulemaking. Moreover, the affected stakeholders in the oil and gas industry are already familiar with the terms and requirements of the existing decommissioning cost reporting rule, which would apply without change to pipelines under this proposed rule. Accordingly, BSEE has determined that 30 days provides a reasonable and adequate opportunity for the public to comment on this proposed rule.

Before including your address, phone number, email address, or other personal identifying information in your comment on this proposed rule,

however, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Background

Among its responsibilities, BSEE regulates certain types of oil and gas pipelines used on the OCS. (See 30 CFR 250.1000–250.1019.) In general, BSEE regulates pipelines or pipeline segments on the OCS that are operated by oil and gas producers, as opposed to pipelines operated by transporters. Specifically, BSEE regulates producer-operated pipelines that: (1) Extend upstream (generally seaward) from each point on the OCS at which operating responsibility transfers from a producing operator to a transporting operator; (2) extend upstream (generally seaward) from the last valve (including associated safety equipment) on the last OCS production facility and that do not connect to a transporter-operated pipeline on the OCS before crossing into State waters; or (3) connect production facilities on the OCS. (See § 250.1001.) BSEE also regulates transporter-operated pipelines that DOI and the U.S. Department of Transportation (DOT) have agreed are to be regulated as DOI pipelines as well as all other OCS pipelines not subject to DOT regulation.¹ (See *id.*)

Pipelines regulated by BSEE generally fall within two categories: (1) “lease term” pipelines (*i.e.*, pipelines owned and operated by a lessee or operator and located entirely within the boundaries of a single lease, unitized leases, or the contiguous leases of that lessee or operator); or (2) ROW pipelines (*i.e.*, OCS pipelines owned and operated by an entity other than the lessee or operator of the lease(s), unit, or contiguous leases in which the pipeline is contained, as well as pipelines that cross unleased areas).² Among other things, BSEE approves the installation, modification, and decommissioning of all lease term and ROW pipelines, and the modification or relinquishment of all pipeline ROW grants on the OCS. BSEE’s regulations for decommissioning

pipelines are found at 30 CFR 250.1700 through 250.1704 and 250.1750 through 250.1754.

As of August 1, 2016, BSEE regulates 4,842 active pipeline segments³ (totaling approximately 20,837 miles) and 1,553 out-of-service pipeline segments (totaling approximately 2,249 miles). In addition, BSEE has regulatory authority over 8,832 decommissioned pipeline segments, as well as 825 pipeline segments that have been approved for decommissioning.

BSEE’s requirements for decommissioning a pipeline are found at §§ 250.1750–250.1754. Pursuant to § 250.1751, requirements for decommissioning a pipeline in place include: pigging (to remove any residual hydrocarbons from the pipeline), unless the Regional Supervisor determines that pigging is not practical; flushing and filling the pipeline with seawater; cutting and plugging the ends of the pipeline; and burying the ends at least 3 feet below the seafloor or covering the ends with protective concrete mats, if required by the Regional Supervisor. Section 250.1751(g) also requires removal of all valves and other fittings that could unduly interfere with other uses of the OCS.

In addition, under § 250.1754, BSEE has the authority to require that lessees, owners of operating rights, and ROW holders remove pipelines previously decommissioned in place if and when the Regional Supervisor determines that the pipeline is an obstruction.

BSEE’s requirements for decommissioning by removing all or part of a pipeline are found at § 250.1752 and include, in part, pigging and flushing the pipeline (unless the Regional Supervisor determines that pigging is not practical) before removal.

Purpose of Proposed Amendment

In 2009, BSEE’s predecessor agency, the Minerals Management Service (MMS), proposed new reporting requirements related to lease term pipelines when MMS approves a lease assignment. (See 74 FR 25177 (May 27, 2009).) MMS also proposed to require the submission of information on expenditures for decommissioning of wells, platforms and other facilities and for site clearance. (See *id.*)

In a final rule published on December 4, 2015, BSEE amended its regulations to require lessees and owners of operating rights to submit summaries of actual decommissioning expenditures for certain required decommissioning activities within 120 days after

completion of each such activity. (See 80 FR 75806.) Specifically, the final rule required reporting of summaries of expenditures for plugging wells, removing platforms and other facilities, and clearing obstructions from sites. In addition, the final rule authorized BSEE to require additional supporting information regarding specific decommissioning costs on a case-by-case basis. The final rule was codified at 30 CFR 250.1704(h) and (i).

Effective July 28, 2016, BSEE’s Well Control final rule revised paragraph (g) in § 250.1704, added a new paragraph (h), and redesignated existing paragraphs (h) and (i) as paragraphs (i) and (j), respectively. (See 81 FR 25888 (April 29, 2016).) The Well Control rule did not, however, affect the substance of those decommissioning cost reporting provisions.

On April 27, 2016, BSEE issued a Notice to Lessees and Operators (NTL), No. 2016–N03, *Reporting Requirements for Decommissioning Expenditures on the OCS*, providing guidance and clarification regarding the submission of the decommissioning cost summaries required by § 250.1704(i).

BSEE did not include reporting of expenditures for pipeline decommissioning in the December 2015 final rule because the 2009 proposed rule did not expressly refer to pipeline decommissioning expenditures. BSEE has determined, however, that accurate information about expenditures incurred for pipeline decommissioning activities is needed to better estimate future decommissioning costs for those activities.

As BSEE explained in the December 2015 final rule, with regard to expenditures for other types of decommissioning activities under § 250.1704(i), summaries of actual decommissioning expenditures will help BSEE better estimate future decommissioning costs. (See 80 FR 75806.) For the same reason, summaries of actual pipeline decommissioning expenditures will help BSEE better estimate future decommissioning costs. In addition, BSEE will share its decommissioning cost estimates with the Bureau of Ocean Energy Management (BOEM) for use in setting necessary financial assurance levels to (1) minimize the possibility that the government will incur future financial liability for decommissioning pipelines where the responsible party has failed to carry out the required decommissioning; and (2) enhance the accuracy of financial assurance requirements necessary to cover future decommissioning liabilities.

¹ BSEE-regulated pipelines are also referred to as “DOI pipelines.” See 30 CFR 250.1001. Pipelines subject to DOT regulations are commonly referred to as “DOT pipelines,” see *id.*, and are regulated by the DOT Pipeline and Hazardous Materials Safety Administration (PHMSA).

² ROW pipelines also include all DOI pipelines not defined as lease term pipelines. See 30 CFR 250.1001 for definitions of lease term pipelines and ROW pipelines.

³ BSEE assigns pipeline segment numbers as specific pipeline identifiers.

Accordingly, BSEE proposes to expand the scope of § 250.1704(i) to require that lessees, owners of operating rights, and pipeline ROW holders submit certified summaries of actual expenditures for decommissioning of pipelines.⁴ This proposal would also authorize Regional Supervisors, under § 250.1704(j), to require the submission of additional information, on a case-by-case basis, to support summaries of pipeline decommissioning expenditures submitted under § 250.1704(i). This proposal rule would not otherwise revise the existing decommissioning cost reporting provisions.

Procedural Matters

Regulatory Planning and Review (Executive Orders 12866 and 13563)

Executive Order (E.O.) 12866 provides that OMB, Office of Information and Regulatory Affairs (OIRA), will review all significant rules. BSEE has determined that this proposed rule would not be a significant regulatory action as defined by section 3(f) of E.O. 12866 because:

- It is not expected to have an annual effect on the economy of \$100 million or more;
- It would not adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities;
- It would not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- It would not materially alter the budgetary impact of entitlements, grants, user fees, or loan programs, or the rights or obligations of their recipients; and
- It would not raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in E.O. 12866.

Accordingly, BSEE has not prepared an economic analysis beyond the analysis required under the Paperwork Reduction Act, and OIRA has not reviewed this proposed rule.

E.O. 13563 reaffirms the principles of E.O. 12866 while calling for improvements in the Nation's regulatory system to promote predictability, to reduce uncertainty, and to use the best, most innovative, and least burdensome tools for achieving regulatory ends. E.O. 13563 directs agencies to consider

regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public where these approaches are relevant, feasible, and consistent with regulatory objectives. It also emphasizes that regulations must be based on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. BSEE developed this proposed rule in a manner consistent with these requirements.

Regulatory Flexibility Act (RFA)

BSEE certifies that this proposed rule would not have a significant economic effect on a substantial number of small entities under the RFA (5 U.S.C. 601 *et seq.*). This proposed rule would potentially affect offshore lessees, owners of operating rights and other operators, and pipeline ROW holders who perform decommissioning activities under 30 CFR part 250, subpart Q. In the December 2015 final rule, using the Small Business Administration's North American Industry Classification System (NAICS) codes 211111 (Crude Petroleum and Natural Gas Extraction) and 213111 (Drilling Oil and Gas Wells), we estimated that a substantial number, about 90 of the 130 active companies potentially affected by that rule (*i.e.*, lessees and operators), would be considered small entities. (See 80 FR 75808.) However, we concluded that the final rule would not have a significant economic effect on those small entities because the cost of requiring decommissioning cost summaries is not significant. (See *id.*)

This proposed rule could affect some additional companies (*i.e.*, ROW holders that were not covered by the December 2015 final rule as lessees or owners of operating rights) that would be required to submit pipeline decommissioning cost summaries. Using more recent information than was available to us when we published the December 2015 final rule, we estimate that the proposal to require reporting of pipeline decommissioning costs could affect approximately 111 lessees, owners of operating rights, and ROW holders that currently own or control DOI pipelines, including many companies already covered by the December 2015 final rule. Of these 111 potentially affected entities, we estimate that a substantial number (66 companies) are small entities. Therefore, this proposed rule would affect a substantial number of small entities.

However, the proposed rule would not impose significant economic impacts on the potentially affected

small entities. The proposed requirement to submit pipeline decommissioning cost summaries would not result in significant additional costs or burdens for any affected entity. As indicated in the Paperwork Reduction Act section of this document, the annual burden of the proposed rule is estimated to be only 500 hours in total for all affected entities (whether or not small) to prepare and submit their pipeline decommissioning summaries. Accordingly, since the changes reflected in the proposed rule would not have a significant economic effect on a substantial number of small entities, the RFA does not require BSEE to prepare a regulatory flexibility analysis for this proposed rule.

Small Business Regulatory Enforcement Fairness Act (SBREFA)

This proposed rule is not a major rule under the SBREFA (5 U.S.C. 804(2)). This rule would not:

- Have an annual effect on the economy of \$100 million or more;
- Cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or
- Have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises.

Your comments are important. The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you wish to comment on the actions of BSEE, call 1-888-734-3247. You may comment to the Small Business Administration (SBA) without fear of retaliation. Allegations of discrimination/retaliation filed with the SBA will be investigated for appropriate action.

Unfunded Mandates Reform Act of 1995

This proposed rule would not impose an unfunded mandate on State, Tribal, or local governments or the private sector of more than \$100 million per year. The proposed rule also would not have a significant or unique effect on State, Tribal, or local governments or the private sector. Thus, a statement containing the information required by

⁴ BSEE recognizes that a designated operator may submit the required summary of decommissioning costs on behalf of a lessee.

the Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*) is not required.

Takings Implication Assessment (E.O. 12630)

Under the criteria in E.O. 12630, this proposed rule would not effect a taking or otherwise have takings implications. This proposed rule is not a governmental action capable of interference with constitutionally protected property rights. Therefore, a Takings Implication Assessment is not required.

Federalism (E.O. 13132)

Under the criteria in E.O. 13132, this proposed rule would not have federalism implications. This proposed rule would not have a substantial direct effect on the States or the relationship between the Federal and State governments. To the extent that State and local governments have a role in OCS activities, this proposed rule would not affect that role. Accordingly, a federalism summary impact statement is not required.

Civil Justice Reform (E.O. 12988)

This proposed rule complies with the requirements of E.O. 12988, *Civil Justice Reform* (February 7, 1996). Specifically, this rule:

- Meets the criteria of section 3(a) of E.O. 12988 requiring that all regulations be reviewed to eliminate drafting errors and ambiguity and be written to minimize litigation; and
- Meets the criteria of section 3(b)(2) of E.O. 12988 requiring that all regulations be written in clear language and contain clear legal standards.

Consultation With Indian Tribal Governments (E.O. 13175)

We have evaluated this proposed rule under the Department's tribal

consultation policy and under the criteria in E.O. 13175 and have determined that it would have no substantial direct effects on federally recognized Indian tribes. As a result, consultation under the Department's tribal consultation policy is not required.

Paperwork Reduction Act (PRA)

This proposed rule contains an information collection (IC) that will be submitted to the OMB for review and approval under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). As part of our continuing effort to reduce paperwork and respondent burdens, BSEE invites the public and other Federal agencies to comment on any aspect of the reporting and recordkeeping burden. If you wish to comment on the IC aspects of this proposed rule, you may send your comments directly to OMB and send a copy of your comments to the Regulations and Standards Branch (for more information, see the **DATES** and **ADDRESSES** section of this document). Please refer to *Decommissioning Costs for Pipelines*, 1014-AA32, in your comments. BSEE specifically requests comments concerning the need for the information, its practical utility, the accuracy of the agency's burden estimate, and ways to minimize the burden. You may obtain a copy of the supporting statement for the new collection of information by contacting the Bureau's Information Collection Clearance Officer at (703) 787-1607. To see a copy of the entire IC request submitted to OMB, go to <http://www.reginfo.gov> (select Information Collection Review, Currently Under Review).

The title of the collection of information for this proposed rule is 30 CFR part 250, subpart Q,

Decommissioning Costs for Pipelines.

As with the other decommissioning expenditure information currently required to be submitted to BSEE under § 250.1704(i), summaries of actual pipeline decommissioning expenditures will help BSEE to better estimate future decommissioning costs for OCS pipelines. BOEM will then use BSEE's future pipeline decommissioning cost estimates to set necessary financial assurance levels to minimize or eliminate the possibility that the government will incur liability for future pipeline decommissioning.

Potential respondents comprise Federal OCS oil, gas, and sulfur lessees, owners of operating rights, and pipeline ROW holders. Responses to this collection are mandatory. The frequency of response is on occasion. The IC does not include questions of a sensitive nature. BSEE will protect confidential commercial and proprietary information according to FOIA (5 U.S.C. 552) and its implementing regulations (43 CFR part 2), and 30 CFR 250.197 (*Data and information to be made available to the public or for limited inspection*), and 30 CFR part 252 (*OCS Oil and Gas Information Program*).

Once the requirements of this proposed rulemaking have been codified, BSEE will consolidate these additional burden hours into the primary collection for 30 CFR part 250, subpart Q, under OMB Control Number 1014-0010 (expiration 10/31/16; 29,437 burden hours and \$2,152,644 non-hour cost burdens). There are no non-hour cost burdens associated with this proposed rulemaking. The following table is a breakdown of the burden estimate:

BURDEN TABLE

Citation 30 CFR 250	Reporting and recordkeeping requirements	Hour burden	Average number of annual responses	Annual burden hours
250.1704(i)	Submit to the Regional Supervisor a complete summary of expenditures incurred within 120 days after completion of each decommissioning activity (including permanently plugging any well, removal of any platform or facility, decommissioning of pipelines, etc.).	1	500 pipeline summaries ..	500
250.1704(i)	Submit certified statement attesting to accuracy of the summary for expenditures incurred.	Exempt from the PRA under 5 CFR 1320.3(i)(1).		0
Total			500 responses	500

An agency may not conduct or sponsor and you are not required to

respond to, a collection of information

unless it displays a currently valid OMB control number.

National Environmental Policy Act of 1969 (NEPA)

This proposed rule meets the criteria set forth in 516 Departmental Manual (DM) 15.4C(1) for a categorical exclusion because it involves modification of existing regulations, the impacts of which would be limited to administrative or economic effects with minimal environmental impacts.

We have also analyzed this proposed rule to determine if it meets any of the extraordinary circumstances set forth in 43 CFR 46.215 that would require an environmental assessment or an environmental impact statement for actions otherwise eligible for a categorical exclusion. We have concluded that this proposed rule would not meet any of the criteria for extraordinary circumstances.

Data Quality Act

In developing this proposed rule, we did not conduct or use a study, experiment, or survey requiring peer review under the Data Quality Act (44 U.S.C. 3516 *et seq.*,

Public Law 106–554, app. C § 515, 114 Stat. 2763, 2763A–153–154).

Effects on the Nation’s Energy Supply (E.O. 13211)

This proposed rule would not be a significant energy action under E.O. 13211 because:

- It is not a significant regulatory action under E.O. 12866;
- It is not likely to have a significant adverse effect on the supply, distribution or use of energy; and
- It has not been designated as a significant energy action by the Administrator of OIRA.

Clarity of This Regulation (E.O. 12866 and E.O. 12988)

We are required by E.O. 12866 and E.O. 12988, and by the Presidential Memorandum of June 1, 1998, to write all rules in plain language. This means that each rule we publish must:

- Be logically organized;
- Use the active voice to address readers directly;
- Use clear language rather than jargon;
- Be divided into short sections and sentences; and
- Use lists and tables wherever possible.

If you feel that we have not met these requirements, send us comments by one of the methods listed in the ADDRESSES section. To better help us meet these requirements, your comments should be as specific as possible. For example, you should tell us the numbers of the sections or paragraphs that you find unclear, which sections or sentences are too long, and the sections where you feel lists or tables would be useful.

List of Subjects in 30 CFR Part 250

Administrative practice and procedure, Continental Shelf, Environmental impact statements, Environmental protection, Government contracts, Investigations, Oil and gas exploration, Penalties, Reporting and recordkeeping requirements, Sulfur.

Janice M. Schneider,
Assistant Secretary, Land and Minerals Management.

For the reasons stated in the preamble, BSEE proposes to amend 30 CFR part 250 as follows:

PART 250—OIL AND GAS AND SULFUR OPERATIONS IN THE OUTER CONTINENTAL SHELF

- 1. The authority citation for part 250 continues to read as follows:

Authority: 30 U.S.C. 1751, 31 U.S.C. 9701, 33 U.S.C. 1321(j)(1)(C), 43 U.S.C. 1334.
- 2. Amend § 250.1704 by revising paragraphs (i) and (j) in the table to read as follows:

§ 250.1704 What decommissioning applications and reports must I submit and when must I submit them?
* * * * *

Decommissioning applications and reports	When to submit	Instructions
(i) A certified summary of expenditures for permanently plugging any well, removal of any platform or other facility, clearance of any site after wells have been plugged or platforms or facilities removed, and decommissioning of pipelines. (j) If requested by the Regional Supervisor, additional information in support of any decommissioning activity expenditures included in a summary submitted under paragraph (i) of this section.	Within 120 days after completion of each decommissioning activity specified in this paragraph. Within a reasonable time as determined by the Regional Supervisor.	Submit to the Regional Supervisor a complete summary of expenditures actually incurred for each decommissioning activity (including, but not limited to, the use of rigs, vessels, equipment, supplies and materials; transportation of any kind; personnel; and services). Include in, or attach to, the summary a certified statement by an authorized representative of your company attesting to the truth, accuracy and completeness of the summary. The Regional Supervisor may provide specific instructions or guidance regarding how to submit the certified summary. The Regional Supervisor will review the summary and may provide specific instructions or guidance regarding the submission of additional information (including, but not limited to, copies of contracts and invoices), if requested, to complete or otherwise support the summary.

[FR Doc. 2016–19057 Filed 8–11–16; 8:45 am]

BILLING CODE 4310–VH–P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 4

RIN 2900–AP27

Schedule for Rating Disabilities; Skin Conditions

AGENCY: Department of Veterans Affairs.
ACTION: Proposed rule.

SUMMARY: The Department of Veterans Affairs (VA) proposes to amend the portion of the VA Schedule for Rating Disabilities (VASRD or Rating Schedule) that addresses skin conditions. The purpose of these changes is to incorporate medical advances that have occurred since the last review, update current medical terminology, and provide clear evaluation criteria. The proposed rule reflects advances in medical knowledge, recommendations from the Skin Disorders Work Group, which is comprised of subject matter experts from both the Veterans Benefits Administration and the Veterans Health Administration, and comments from experts and the public gathered as part of a public forum. The public forum, focusing on revisions to the skin conditions section of the VASRD, was held in January 2012.

DATES: *Comment Date:* Comments must be received by VA on or before October 11, 2016.

Applicability Date: The provisions of this rulemaking shall apply to all applications for benefits that are received by VA or that are pending before the agency of original jurisdiction on or after the effective date of the final rule. The Secretary does not intend for the provisions of this rulemaking to apply to claims that have been certified for appeal to the Board of Veterans' Appeals or are pending before the Board of Veterans' Appeals, the United States Court of Appeals for Veterans Claims, or the United States Court of Appeals for the Federal Circuit.

ADDRESSES: Written comments may be submitted through www.Regulations.gov; by mail or hand-delivery to Director, Regulation Policy and Management (02REG), Department of Veterans Affairs, 810 Vermont Avenue NW., Room 1068, Washington, DC 20420; or by fax to (202) 273–9026. (This is not a toll free number.) Comments should indicate that they are submitted in response to “RIN 2900–AP27–Schedule for Rating Disabilities;

Skin Conditions.” Copies of comments received will be available for public inspection in the Office of Regulation Policy and Management, Room 1068, between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday (except holidays). Please call (202) 461–4902 for an appointment. (This is not a toll free number.) In addition, during the comment period, comments may be viewed online through the Federal Docket Management System (FDMS) at www.Regulations.gov.

FOR FURTHER INFORMATION CONTACT: Gary Reynolds, M.D., Regulations Staff (211C), Compensation Service, Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue NW., Washington, DC 20420, (202) 461–9700. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: The National Defense Authorization Act For Fiscal Year 2004, sec. 1501–07, Public Law 108–136, 117 Stat. 1392, established the Veterans' Disability Benefits Commission (Commission). Section 1502 of Public Law 108–136 mandated the Commission to study ways to improve the disability compensation system for disabled military veterans. The Commission consulted with the Institute of Medicine (IOM) to review the medical aspects of the current disability compensation policies for veterans. In 2007, the IOM released its report titled, “A 21st Century System for Evaluating Veterans for Disability Benefits.”

The IOM Report was notable in several respects. The IOM observed, in part, that the VASRD was inadequate at times because it contained obsolete information and did not sufficiently integrate current and accepted diagnostic procedures. In addition, the IOM observed that the current body system organization of the VASRD does not reflect current knowledge of the relationships between conditions and comorbidities. Institute of Medicine, Committee on Medical Evaluation of Veterans for Disability Compensation, “A 21st Century System for Evaluating Veterans for Disability Benefits,” 113 (Michael McGeary et al. eds. 2007).

Following release of the IOM report, VA created a Skin Disorders Work Group (Work Group). The goals adopted by the Work Group were to: 1) improve and update the criteria that VA uses to assign levels of disability after service connection is granted; 2) improve the level of fairness in adjudication of benefits related to service connected disabilities of Veterans; and 3) invite public participation. The Work Group was led by co-chairs from the Veterans Health Administration (VHA) and

Veterans Benefits Administration (VBA). The workgroup was comprised of subject matter experts (SMEs) from within VA, DoD, and medical academia. In addition, members from several Veterans Service Organizations (VSOs) were invited to participate as representatives from the public. The Work Group held a public forum in New York City during January 2012, where several SMEs gave presentations focused on their particular area(s) of expertise.

After the public forum, the Work Group met periodically to continue the revision efforts. Participants from VBA, VHA, medical academia, and VSO representatives continued work within their areas of expertise. The regulation drafting phase began in September 2013, and continues through the publication of this proposed rule. The rule VA proposes is consistent with updating and improving criteria by using validated severity ratings specific to the skin for each of the disability rating levels. As discussed in more detail below, the newly adopted classifications are derived from current medical practice.

Schedule of Ratings—Skin Conditions

General Rating Formula for Skin Disorders

Section 4.118 currently lists 30 diagnostic codes (DCs) encompassing conditions involving injury or disease of the skin. VA proposes to revise these codes, through addition, removal, or other revisions, to reflect current medical science, terminology, and functional impairment.

VA would delete the current introductory paragraph to § 4.118. VA added the current paragraph to explain the applicability of the 2008 amendments to § 4.118, DCs 7800, 7801, 7802, 7804, and 7805. This rulemaking would make further amendments and would render outdated the current introductory paragraph. VA would add an applicability date paragraph to the dates section to explain this rulemaking's applicability. The existing provisions in § 4.118 concerning review of ratings and effective dates merely reflect generally applicable principles that need not be restated in the rating schedule.

VA would add a new introductory paragraph to state that, for the purposes of § 4.118, systemic therapy is treatment that is administered through any route (orally, injection, suppository, intranasally) other than the skin, and topical therapy is treatment that is administered through the skin. On March 1, 2016, the United States Court