

TABLE W-1A OF SUBPART W—DEFAULT WHOLE GAS EMISSION FACTORS FOR ONSHORE PETROLEUM AND NATURAL GAS PRODUCTION—Continued

Onshore petroleum and natural gas production	Emission factor (scf/hour/ component)
<b>Population Emission Factors—All Components, Heavy Crude Service<sup>6</sup></b>	
Valve .....	0.0005
Flange .....	0.0009
Connector (other) .....	0.0003
Open-ended Line .....	0.006
Other <sup>5</sup> .....	0.003

<sup>1</sup> For multi-phase flow that includes gas, use the gas service emissions factors.

<sup>2</sup> Emission Factor is in units of “scf/hour/device.”

<sup>3</sup> Emission Factor is in units of “scf/hour/pump.”

<sup>4</sup> Hydrocarbon liquids greater than or equal to 20 °API are considered “light crude.”

<sup>5</sup> “Others” category includes instruments, loading arms, pressure relief valves, stuffing boxes, compressor seals, dump lever arms, and vents.

<sup>6</sup> Hydrocarbon liquids less than 20 °API are considered “heavy crude.”

10. Table W-5 to Subpart W of part 98 is amended by revising the entry for “Vapor Recovery Compressor” to read as follows:

TABLE W-5 OF SUBPART W—DEFAULT METHANE EMISSION FACTORS FOR LIQUEFIED NATURAL GAS (LNG) STORAGE

LNG storage	Emission factor (scf/hour/ component)
<p style="text-align: center;">* * * * *</p> Vapor Recovery Compressor <sup>2</sup> .....	4.17

#### Subpart TT—[Amended]

11. Section 98.460 is amended by adding paragraph (c)(2)(xiii) to read as follows:

#### **§ 98.460 Definition of Source Category.**

\* \* \* \* \*

(c) \* \* \*

(2) \* \* \*

(xiii) Other waste material that has a DOC value of 0.3 weight percent (on a wet basis) or less. DOC value must be determined using a 60-day anaerobic biodegradation test procedure identified in 98.464(b)(4)(i)(A).

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#### DEPARTMENT OF TRANSPORTATION

#### Federal Transit Administration

#### 49 CFR Part 661

[Docket No. FTA-2012-0019]

#### Application of Buy America Waivers to Rolling Stock Overhauls and Rebuilds

**AGENCY:** Federal Transit Administration (FTA), DOT.

**ACTION:** Notice of proposed statement of policy and request for comment.

**SUMMARY:** This notice proposes a statement of policy regarding the application of the Federal Transit Administration’s Buy America rules to procurements for the overhaul and rebuilding of rolling stock, and seeks comment from all interested parties.

**DATES:** Comments must be received by June 20, 2012. Late-filed comments will be considered to the extent practicable.

**ADDRESSES:** Please submit your comments by only one of the following means, identifying your submissions by docket number FTA-2012-0019. All electronic submissions must be made to the U.S. Government electronic site at <http://www.regulations.gov>.

Commenters should follow the instructions below for mailed and hand-delivered comments:

*Federal e-Rulemaking Portal:* Go to <http://www.regulations.gov>. Follow the online instructions for submitting comments.

*U.S. Mail:* U.S. Department of Transportation, Docket Operations, West Building, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590.

*Hand Delivery:* U.S. Department of Transportation, Docket Operations, West Building, Room W12-140, 1200 New Jersey Avenue SE., Washington,

DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

*Fax:* (202) 493-2251.

*Instructions:* All submissions must make reference to the “Federal Transit Administration” and include docket number FTA-2012-0019. Due to security procedures in effect since October 2001, mail received through the U.S. Postal Service may be subject to delays. Parties making submissions responsive to this notice should consider using an express mail firm to ensure the prompt filing of any submissions not filed electronically or by hand. Note that all submissions received, including any personal information therein, will be posted without change or alteration to <http://www.regulations.gov>. For more information, you may review DOT’s complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477), or visit <http://www.regulations.gov>.

**FOR FURTHER INFORMATION CONTACT:** Jayme L. Blakesley at (202) 366-0304 or [jayme.blakesley@dot.gov](mailto:jayme.blakesley@dot.gov).

#### **SUPPLEMENTARY INFORMATION:**

#### **I. Introduction**

The purpose of this notice is to propose a statement of policy that will

clarify how to apply FTA's Buy America requirements to procurements for the overhaul and rebuilding of rolling stock. Until now, the practice of FTA grantees has been to apply the statutory waiver of 49 U.S.C. 5323(j)(2)(C) to all rolling stock procurements, including the purchase of new vehicles, overhauls, and rebuilds. The waiver allows up to 40 percent foreign content per vehicle. This practice has continued despite FTA's intention in its latest rulemaking, for which the final rule was published at 72 FR 53688 on September 20, 2007, to start requiring 100 percent U.S. content for all rolling stock components purchased as part of an overhaul. To bring industry practices in line with the 2007 rulemaking, FTA proposes this statement of policy, the purpose of which is to clarify what FTA intended in 2007—to apply the manufactured products standard of 49 CFR 661.5 to the purchase of all components for rolling stock overhauls.

## II. Background

### A. Buy America's Requirements

With few exceptions, Buy America prohibits FTA from funding a project unless “the steel, iron, and manufactured goods used in the project are produced in the United States.” 49 U.S.C. 5323(j)(1). These general requirements are waived for the procurement of rolling stock if the cost of the components produced in the United States is more than 60 percent of the cost of all components of the rolling stock and final assembly takes place in the United States. 49 U.S.C. 5323(j)(2)(C) (implemented at 49 CFR 661.11).

There is no direct law and little guidance on how to apply Buy America requirements to overhauls and rebuilds. The statutory provision on Buy America, 49 U.S.C. 5323(j), and implementing regulations, 49 CFR part 661, do not include the terms overhaul or rebuild. At least one FTA Circular discusses rebuilds and overhauls, but lacks explicit instructions for how to apply the Buy America requirements to each level of activity. FTA's Grant Management Circular 5010.1D discusses rebuilds and overhauls in the context of determining the useful life of a vehicle:

*Rebuild.* A rolling stock rebuild is a reconditioning at the end of a vehicle's useful life that creates additional useful life. A vehicle to be rebuilt should have already reached the end of its minimum useful life. An eligible rail car rebuild must extend the vehicle's useful life by a minimum of ten years, and a bus rebuild must extend the vehicle's life by a minimum of four years. FTA Circular

5010.1D, ch. I section 5.bbb, ch. IV section 3.g.

*Overhaul.* A rolling stock overhaul (sometimes called a refurbishment) is a form of preventative maintenance involving “systematic replacement or upgrade of systems whose useful life is less than the useful life of the entire vehicle in a programmed manner. Overhaul is performed as a planned or concentrated preventative maintenance activity and is intended to enable the rolling stock to perform to the end of the original useful life.” *Id.* at ch. I section 5.qq. In contrast to a rolling stock rebuild, an overhaul does not extend the useful life of the vehicle itself. Rather, it focuses on the useful lives of the systems that comprise the vehicle, enabling the entire vehicle to perform to the end of its original useful life. *Id.* at ch. I section 5.qq, ch. IV section 3.h.

### B. FTA's 2007 Buy America Rulemaking

In 2007, as part of its Final Rule on Buy America, FTA published in the **Federal Register** a description of how to apply Buy America to certain end products and components, including rolling stock. 72 FR 53688, Sept. 20, 2007; 72 FR 55102, Sept. 28, 2007 (making a minor correction to 72 FR 53688). Although that rulemaking did not address rolling stock rebuilds and overhauls specifically, it did provide instructions for applying Buy America rules to the purchase of rolling stock replacement parts. With the purpose of simplifying country-of-origin rules for the procurement of replacement parts, FTA adopted “non-shifting” characterizations of replacement parts as components or sub-components and stated that a procurement of a replacement part for rolling stock would be considered consistent with the requirements for manufactured products:

Under the new approach, procurements for replacement parts, whether components or subcomponents of the original end product, would retain their characterization and the requirements applicable to manufactured products would apply. This new approach would apply consistently to the procurement of replacement parts for rolling stock as well as to manufactured products.

72 FR 53688, 53692, Sept. 20, 2007. The Buy America requirements for manufactured goods are found at 49 CFR 661.5.

Through this statement, FTA intended to treat rolling stock overhauls as procurements of replacement parts, and therefore, to be subject to the domestic content rules that require 100 percent U.S. content for manufactured product components. However, FTA's

rulemaking document was insufficiently clear on this point and the industry has continued its longstanding practice of treating overhauls as procurements of rolling stock, and thus eligible for the waiver of 49 U.S.C. 5323(j)(2), as implemented at 49 CFR 661.11, that allows up to 40 percent foreign components.

### C. Application to Rebuilds and Overhauls

The rebuild and overhaul processes are conducted for different purposes and must meet different standards to be eligible for FTA funding. A rebuild results in additional useful life of the vehicle that did not exist before, whereas an overhaul is performed to maintain a vehicle and enables it to achieve the useful life it was expected to provide when it was first purchased.

It is this purchase of new useful life that makes a rebuild sufficiently like the procurement of new rolling stock to be able to apply the statutory waiver of 49 U.S.C. 5323(j)(2)(C) that allows up to 40 percent foreign content per vehicle. In contrast, an overhaul is primarily the purchase of replacement parts plus labor, and is for the purpose of maintaining a vehicle, not the acquisition of new useful life. As such, FTA views the purchase of replacement parts for an overhaul the same as it views the purchase of individual replacement parts—the manufactured product requirements of 49 CFR 661.5 apply; all components must be produced in the United States.

## III. Proposed Policy

Based on the foregoing, FTA proposes to limit the application of the statutory rolling stock waiver of 49 U.S.C. 5323(j)(2)(C), as implemented at 49 CFR 661.11, to the purchase of new rolling stock and to a rebuild that adds useful life. New purchases and rebuilds may include up to 40 percent foreign components. In contrast, all components purchased as part of a rolling stock overhaul are subject to the manufactured products requirements of 49 CFR 661.5 and must be produced in the United States.

FTA seeks comment from all interested parties. After consideration of the comments, FTA will publish a second notice in the **Federal Register** with a response to comments and a justification for the final statement of policy.

Issued this 13th day, of April 2012.

**Dorval R. Carter, Jr.,**

*Chief Counsel, Federal Transit Administration.*

[FR Doc. 2012-9698 Filed 5-18-12; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### 50 CFR Part 660

[Docket No. 120509433-2433-01]

RIN 0648-BC00

#### Fisheries Off West Coast States; Pacific Coast Groundfish Fishery Management Plan; Trawl Rationalization Program

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Proposed rule; request for comments.

**SUMMARY:** This proposed action would delay or revise several portions of the Pacific Coast Groundfish Fishery Trawl Rationalization Program (program) regulations. These changes are necessary to enable the National Marine Fisheries Service (NMFS) to implement new regulations for the program to comply with a court order requiring NMFS to reconsider the initial allocation of Pacific whiting (whiting) to the shorebased Individual Fishing Quota (IFQ) fishery and the at-sea mothership fishery. The proposed rule would affect the transfer of Quota Share (QS) and Incidental Bycatch Quota (IBQ) between QS accounts in the shorebased individual IFQ fishery, and severability in the mothership fishery, both of which would be delayed until NMFS can implement any necessary new regulations in those areas required by the court's order.

**DATES:** Comments on this proposed rule must be received no later than 5 p.m., local time on June 29, 2012.

**ADDRESSES:** You may submit comments on this document, identified by NOAA-NMFS-2012-0062, by any of the following methods:

- **Electronic Submissions:** Submit all electronic public comments via the Federal e-Rulemaking Portal, at <http://www.regulations.gov>. To submit comments via the e-Rulemaking Portal, first click the "submit a comment" icon, then enter NOAA-NMFS-2012-0062 in the keyword search. Locate the document you wish to comment on

from the resulting list and click on the "Submit a Comment" icon on the right of that line.

- **Fax:** 206-526-6736; Attn: Ariel Jacobs.

- **Mail:** William W. Stelle, Jr., Regional Administrator, Northwest Region, NMFS, 7600 Sand Point Way NE., Seattle, WA 98115-0070; Attn: Ariel Jacobs.

**Instructions:** All comments received are a part of the public record and will generally be posted to <http://www.regulations.gov> without change. All Personal Identifying Information (for example, name, address, etc.) voluntarily submitted by the commenter may be publicly accessible. Do not submit Confidential Business Information or otherwise sensitive or protected information. NMFS will accept anonymous comments (if submitting comments via the Federal e-Rulemaking portal, enter "N/A" in the relevant required fields if you wish to remain anonymous). Attachments to electronic comments will be accepted in Microsoft Word or Excel, WordPerfect, or Adobe PDF file formats only.

**FOR FURTHER INFORMATION CONTACT:** Ariel Jacobs, 206-526-4491; (fax) 206-526-6736; [Ariel.Jacobs@noaa.gov](mailto:Ariel.Jacobs@noaa.gov).

#### SUPPLEMENTARY INFORMATION:

##### Background

In January 2011, NMFS implemented the trawl rationalization program for the Pacific coast groundfish fishery's trawl fleet (see 75 FR 78344; Dec. 15, 2010). The program was adopted through Amendment 20 to the Pacific Coast Groundfish Fishery Management Plan (FMP) and consists of an IFQ program for the shorebased trawl fleet (including whiting and non-whiting fisheries); and cooperative (coop) programs for the at-sea mothership (MS) and catcher/processor (C/P) trawl fleets (whiting only). Allocations to the limited entry trawl fleet for certain species were developed under Amendment 21 to the FMP, also implemented in 2011.

These rules became the subject of litigation, in *Pacific Dawn, LLC v. Bryson*, No. C10-4829 TEH (N.D. Cal.). The plaintiffs, fishing vessel owners and fishing processors represented by the named party, Pacific Dawn, LLC, challenged several aspects of the rules, but in particular the initial allocation of whiting QS in the shorebased IFQ and mothership fisheries. Following a decision on summary judgment that NMFS had not considered the correct data in setting its initial whiting allocations, on February 21, 2012, Judge Henderson issued an order remanding the regulations setting the initial

allocation of whiting for the shorebased IFQ fishery and the at-sea mothership fishery "for further consideration" consistent with the court's December 22, 2011 summary judgment ruling, the Magnuson-Stevens Act (MSA), and all other governing law. The Order also requires NMFS to implement revised regulations setting the quota before the 2013 Pacific whiting fishing season begins on April 1, 2013.

On February 29, 2012, NMFS informed the Pacific Fishery Management Council (Council) of the order issued in *Pacific Dawn, LLC v. Bryson*. NMFS also requested that the Council initiate the reconsideration of the initial allocations for QS of whiting in the shorebased IFQ fishery and for whiting catch history assignments in the at-sea mothership fishery. NMFS requested the Council schedule this issue to be discussed at its April, June, and September 2012 meetings. NMFS also stated that a rulemaking was needed to delay or revise portions of the existing regulations setting these allocations while the Council and NMFS reconsidered the initial allocation of whiting, and informed the Council of its intent to publish an Advance Notice of Proposed Rulemaking (ANPR) on that reconsideration.

At the Council's March 2012 meeting, the Council added reconsideration of the allocation of whiting to the agenda for its April, June and September 2012 meetings. At the Council's April meeting, the Council adopted a range of alternatives for analysis. The Council will review a draft analysis of the alternatives and select a preliminary preferred alternative at its June meeting. At its September meeting, the Council will choose a final preferred alternative and make a recommendation to NMFS.

NMFS published an ANPR on April 4, 2012 (77 FR 20337) that, among other things, announced the court's order, the Council meetings that would be addressing the whiting reconsideration, and NMFS' plan to publish two rulemakings in response to the court order. These two rulemakings are referred to as Reconsideration of Allocation of Whiting, Rules 1 and 2 (RAW 1 and RAW 2, respectively). NMFS is using emergency action authority under the MSA 305(c)(1) for RAW 1; RAW 2 will go through the standard FMP Council process followed by a proposed and final rule. The first rulemaking, RAW 1, which is the subject of this proposed rule, would delay or revise several portions of the regulations while NMFS and the Council reconsider the initial allocation of whiting, and until NMFS implements