

Proposed Rules

Federal Register

Vol. 77, No. 30

Tuesday, February 14, 2012

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF ENERGY

10 CFR Part 430

[Docket No. EERE-2010-BT-TP-0038]

Test Procedures for Central Air Conditioners and Heat Pumps: Public Meeting

AGENCY: Office of Energy Efficiency and Renewable Energy, U.S. Department of Energy.

ACTION: Notice of public meeting.

SUMMARY: The U.S. Department of Energy (DOE) is holding a public meeting to discuss methodologies and gather comments on testing residential central air conditioners and heat pumps designed to use hydrochlorofluorocarbon-22 (R-22) refrigerant.

DATES: DOE will hold a public meeting on Tuesday, February 14, 2012, from 3 p.m. to 5 p.m. in Washington, DC. Additionally, DOE plans to conduct the public meeting via webinar. To participate via webinar, participants must sign up by following the instructions in the Web site. Registration information, participant instructions, and information about the capabilities available to webinar participants will be published on the following Web site <https://www1.gotomeeting.com/register/141337089>. Participants are responsible for ensuring that their systems are compatible with the webinar software.

ADDRESSES: The public meeting will be held at the U.S. Department of Energy, Forrestal Building, Room 8E-089, 1000 Independence Avenue SW., Washington, DC 20585-0121. To attend, please notify Ms. Brenda Edwards at (202) 586-2945. Please note that foreign nationals visiting DOE Headquarters are subject to advance security screening procedures. Any foreign national wishing to participate in the public meeting should advise DOE as soon as possible by contacting Ms. Brenda Edwards at (202) 586-2945 to initiate the necessary procedures.

Docket: The docket is available for review at www.regulations.gov. All documents in the docket are listed in the www.regulations.gov index. However, not all documents in the index may be publicly available, such as information that is exempt from public disclosure. A link to the docket web page can be found at www.regulations.gov. The www.regulations.gov web page contains a link to the docket for this notice, along with simple instructions on how to access all documents, including public comments, in the docket.

FOR FURTHER INFORMATION CONTACT:

Ashley Armstrong, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, Building Technologies, EE-2J, 1000 Independence Avenue SW., Washington, DC 20585-0121. Phone: (202) 586-6590. Email: Ashley.Armstrong@ee.doe.gov or Elizabeth Kohl, U.S. Department of Energy, Office of General Counsel, GC-72, 1000 Independence Avenue SW., Washington, DC 20585-0121. Phone: (202) 586-7796. Email: Elizabeth.Kohl@hq.doe.gov.

SUPPLEMENTARY INFORMATION: Title III, Part B of the Energy Policy and Conservation Act of 1975 (EPCA or the Act), Public Law 94-163 (42 U.S.C. 6291-6309, as codified), established the Energy Conservation Program for Consumer Products Other Than Automobiles, a program covering most major household appliances, including the residential central air conditioners and heat pumps that are single phase with rated cooling capacities less than 65,000 British thermal units per hour (Btu/h) that are the focus of this notice.¹ (42 U.S.C. 6291(1)-(2), (21) and 6292(a)(3))

Under EPCA, the program consists of four activities: (1) Testing; (2) labeling; and (3) Federal energy conservation standards, and also (4) certification, compliance, and enforcement. The testing requirements consist of test procedures that manufacturers of covered products must use as the basis for certifying to DOE that their products comply with applicable energy conservation standards adopted pursuant to EPCA and for representing the efficiency of those products. (42

U.S.C. 6293(c); 42 U.S.C. 6295(s)) Similarly, DOE must use these test procedures in any enforcement action to determine whether covered products comply with these energy conservation standards. (42 U.S.C. 6295(s))

DOE's existing test procedures for residential central air conditioners and heat pumps adopted pursuant to these provisions appear under Title 10 of the Code of Federal Regulations (CFR) part 430, subpart B, appendix M ("Uniform Test Method for Measuring the Energy Consumption of Central Air Conditioners and Heat Pumps"). These procedures establish the currently permitted means for determining energy efficiency and annual energy consumption of these products.

DOE regulations require that residential split system central air conditioners and heat pumps be tested using "the evaporator coil that is likely to have the largest volume of retail sales with the particular model of condensing unit." 10 CFR 430.24(m)(2). Effective January 1, 2010, the U.S. Environmental Protection Agency (EPA) banned the sale and distribution of those central air conditioning systems and heat pump systems manufactured after January 1, 2010, that are designed to use R-22 refrigerant. 74 FR 66450 (Dec. 15, 2009). EPA's rulemaking included an exception for the manufacture and importation of replacement components, as long as those components are not pre-charged with R-22. Id. at 66459-66460. In light of EPA's rulemaking, DOE received numerous inquiries regarding the sale of R-22 systems and the applicability of our regulations with respect to these types of systems.

Because complete R-22 systems can no longer be distributed per EPA's regulations, manufacturers inquired how to test and rate condensing units and outdoor units using R-22 refrigerant. DOE has issued two guidance documents surrounding testing central air conditioner and heat pump systems utilizing R-22 refrigerant. See <http://www1.eere.energy.gov/guidance/default.aspx?pid=2&spid=1> for additional information. The Department is holding this public meeting and webinar to gather information on the testing of central air conditioners and heat pumps designed to use R-22. Among other things, DOE seeks

¹ For editorial reasons, upon codification in the U.S. Code, Part B was re-designated Part A.

information on the characteristics of the coil-only indoor unit for testing and rating purposes to satisfy the requirement that the highest volume sales unit combination be tested. 10 CFR 429.16(a)(2)(ii).

DOE will conduct the public meeting in an informal, facilitated, conference style. There shall be no discussion of proprietary information, costs or prices, market shares, or other commercial matters regulated by U.S. antitrust laws. A court reporter will record the minutes of the meeting, after which a transcript will be available for purchase from the court reporter and placed on the DOE Web site.

Anyone who wishes to participate in the public meeting, receive meeting materials, or be added to the DOE mailing list to receive future notices and information about wine chillers and miscellaneous refrigeration products should contact Ms. Brenda Edwards at (202) 586-2945.

Issued in Washington, DC, on February 7, 2012.

Kathleen Hogan,

Deputy Assistant Secretary, Energy Efficiency and Renewable Energy.

[FR Doc. 2012-3375 Filed 2-13-12; 8:45 am]

BILLING CODE 6450-01-P

FARM CREDIT ADMINISTRATION

12 CFR Part 630

RIN 3052-AC77

Disclosure to Investors in System-wide and Consolidated Bank Debt Obligations of the Farm Credit System

AGENCY: Farm Credit Administration.

ACTION: Proposed rule.

SUMMARY: The Farm Credit Administration (FCA, us, we, or our) proposes to amend our regulations related to the Federal Farm Credit Banks Funding Corporation (Funding Corporation) System Audit Committee (SAC) and the Farm Credit System (System) annual report to investors. The proposed rule would remove the provision that a two-thirds majority vote of the Funding Corporation board of directors be required to deny a request for resources by the SAC to engage independent legal counsel, outside advisors or consultants. The proposed rule would instead require appropriate funding to the SAC to perform these duties, quarterly reporting by the SAC to the Funding Corporation board on resources used, and annual reporting to investors.

DATES: Submit comments on or before April 16, 2012.

ADDRESSES: We offer a variety of methods for you to submit your comments. For accuracy and efficiency reasons, commenters are encouraged to submit comments by email or through the FCA's Web site. As facsimiles (fax) are difficult for us to process and achieve compliance with section 508 of the Rehabilitation Act, we no longer accept comments submitted by fax. Regardless of the method you use, please do not submit your comments multiple times via different methods. You may submit comments by any of the following methods:

- **Email:** Send an email to reg-comm@fca.gov.
- **FCA Web site:** <http://www.fca.gov>. Select "Public Commenters," then "Public Comments," and follow the directions for "Submitting a Comment."
- **Federal eRulemaking Portal:** <http://www.regulations.gov>. Follow the instructions for submitting comments.
- **Mail:** Gary K. Van Meter, Director, Office of Regulatory Policy, Farm Credit Administration, 1501 Farm Credit Drive, McLean, VA 22102-5090.

You may review copies of all comments we receive at our office in McLean, Virginia or on our Web site at <http://www.fca.gov>. Once you are in the Web site, select "Public Commenters," then "Public Comments," and follow the directions for "Reading Submitted Public Comments." We will show your comments as submitted, including any supporting data provided, but for technical reasons we may omit items such as logos and special characters. Identifying information that you provide, such as phone numbers and addresses, will be publicly available. However, we will attempt to remove email addresses to help reduce Internet spam.

FOR FURTHER INFORMATION CONTACT: Deborah Wilson, Senior Accountant, Office of Regulatory Policy, Farm Credit Administration, McLean, VA 22102-5090, (703) 883-4414, TTY (703) 883-4434, or Laura McFarland, Senior Counsel, Office of General Counsel, Farm Credit Administration, McLean, VA 22102-5090, (703) 883-4020, TTY (703) 883-4020.

SUPPLEMENTARY INFORMATION:

I. Objectives

The objectives of this proposed rule are to:

- Allow the SAC unrestricted access to resources to engage legal counsel, consultants and outside advisors,
- Ensure that investors are provided transparent and complete disclosure on

the safe and sound use of resources by the SAC, and

- Clarify that the appointment, compensation, and retention of the external auditor for the System-wide reports cannot be changed without the agreement of both the SAC and the Funding Corporation board.

II. Background

The Farm Credit Act of 1971, as amended (Act),¹ authorizes the FCA to issue regulations implementing the Act's provisions.² Our regulations are intended to ensure the safe and sound operations of System institutions and to govern the disclosure of financial information to shareholders of, and investors in, the System. In 2006, we issued a final rulemaking on the governance of System institutions.³ Those regulations changed the structure, responsibilities, and authority of existing audit committees at the banks and the SAC, and it required audit committees at System associations.

We explained in our 2006 rulemaking that an audit committee is the guardian of an institution's financial integrity, and its independence is essential to investor confidence in the transparency of audited financial statements. The 2006 rulemaking required that audit committees at banks and associations be comprised solely of well-qualified board members,⁴ but made an exception to the composition of the SAC. Section 630.6(a) requires that only one-third of the SAC membership be composed of directors from the Funding Corporation board. This exception was in response to comments received on the 2006 rulemaking that audit committee composition derived solely from the board of directors may be appropriate for individual System institutions, but not for the SAC. Commenters believed that the duties of the SAC require broader representation and greater financial experience of its members due to its oversight for the preparation of System combined financial statements.

The 2006 rulemaking required that the SAC be permitted to contract for independent legal counsel and expert advisers and that the Funding Corporation provide monetary and nonmonetary resources for these activities. Also, the rulemaking required

¹ Public Law 92-181, 85 Stat. 583 (1971), 12 U.S.C. 2001 *et seq.*

² 12 U.S.C. 2252(a)(8), (9) and (10).

³ 71 FR 5740 (Feb. 2, 2006).

⁴ Section 620.6 of the FCA's regulations states, "[e]ach member of an audit committee must be a member of the Farm Credit institution's board of directors * * * All committee members should be knowledgeable in at least one of the following: public and corporate finance, financial reporting and disclosure, or accounting procedures."