

or to otherwise challenge in court, a court decision in connection with the lease.

(8) *Family chargeable with legal costs regardless of outcome.* Agreement by the family to pay lawyer's fees or other legal costs of the owner, even if the family wins in a court proceeding by the owner against the family. (However, the family may have to pay these fees and costs if the family loses.)

11. Section 886.128 is revised to read as follows:

§ 886.128 Termination of tenancy.

Part 247 of this title applies to the termination of tenancy and eviction of a family assisted under this subpart.

12. Section 886.302 is amended by revising the definition for the term "lease" to read as follows:

§ 886.302 Definitions.

Lease. A written agreement between the owner and a family for leasing of decent, safe and sanitary dwelling unit to the family.

§ 886.305 [Removed and reserved]

13. Section 886.305 is removed and the section is reserved.

14. Section 886.306 is revised to read as follows:

§ 886.306 Notices.

Before a project is approved for sale in accordance with this subpart, and as a part of the process of preparing a disposition recommendation in accordance with 24 CFR Part 290, the field office manager must notify in writing the chief executive officer of the unit of general local government in which the project is located (or the designee of that officer) of the proposed sale with housing assistance, and must afford the unit of local government an opportunity to review and comment upon the proposed sale in accordance with 24 CFR Part 791. Local government review should address consistency with the housing needs and strategy of the community, rather than strict conformance to the limitations on variations from housing assistance plan goals which are contained in Part 791.

§ 886.309 [Amended]

15. In § 886.309(e), the reference to "§ 886.328" is removed and "§ 886.327 and Part 247 of this title" is added in its place.

§ 886.322 [Removed and reserved]

16. Section 886.322 is removed and the section is reserved.

17. Section 886.327 is revised to read as follows:

§ 886.327 Lease requirements.

(a) *Term of lease.* (1) The term of a lease, including a new lease or a lease amendment, executed by the owner and the family must be for at least one year, or the remaining term of the contract if the remaining term of the contract is less than one year.

(2) During the first year of the lease term, the owner may not terminate the tenancy for "other good cause" under 24 CFR 247.3(a)(3), unless the termination is based on family malfeasance or nonfeasance. For example, during the first year of the lease term, the owner may not terminate the tenancy for "other good cause" based on the failure of the family to accept the offer of a new lease.

(3) The lease may contain a provision permitting the family to terminate on 30 days advance written notice to the owner. In this case of a lease term for more than one year, the lease must contain this provision.

(b) *Required and prohibited provisions.* The lease between the owner and the family must comply with HUD regulations and requirements, and must be in the form required by HUD. The lease may not contain any of the following types of prohibited provisions:

(1) *Admission of guilt.* Agreement by the family (i) to be sued, and (ii) to admit guilt, or (iii) to a judgment in favor of the owner, in a court proceeding against the family in connection with the lease.

(2) *Treatment of family property.* Agreement by the family that the owner may take or hold family property, or may sell family property, without notice to the family and a court decision on the rights of the parties.

(3) *Excusing owner from responsibility.* Agreement by the family not to hold the owner or the owner's agents responsible for any action or failure to act, whether intentional or negligent.

(4) *Waiver of notice.* Agreement by the family that the owner does not need to give notice of a court proceeding against the family in connection with the lease, or does not need to give any notice required by HUD.

(5) *Waiver of court proceeding for eviction.* Agreement by the family that the owner may evict the family (i) without instituting a civil court proceeding in which the family has the opportunity to present a defense, or (ii) before a decision by the court on the rights of the parties.

(6) *Waiver of jury trial.* Agreement by the family to waive any right to a trial by jury.

(7) *Waiver of appeal.* Agreement by the family to waive the right to appeal,

or to otherwise challenge in court, a court decision in connection with the lease.

(8) *Family chargeable with legal costs regardless of outcome.* Agreement by the family to pay lawyer's fees or other legal costs of the owner, even if the family wins in a court proceeding by the owner against the family. (However, the family may have to pay these fees and costs if the family loses.)

18. Section 886.328 is revised to read as follows:

§ 886.328 Termination of tenancy.

Part 247 of this title applies to the termination of tenancy and eviction of a family assisted under this subpart.

Date: February 2, 1988.

Thomas T. Demery,

Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. 88-2490 Filed 2-4-88; 8:45 am]

BILLING CODE 4210-27-M

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

29 CFR Part 1601

Procedural Regulations; Delegation of Authority

AGENCY: Equal Employment Opportunity Commission.

ACTION: Final rule.

SUMMARY: The Equal Employment Opportunity Commission is publishing this final rule amending its procedural regulation at 29 CFR 1601.21(d) to provide for delegation of authority from the Program Director, Office of Program Operations, to the Director, Determinations Review Program, Office of Program Operations to make determination finding reasonable cause, issue a cause letter of determination and serve a copy of the determination upon the parties.

DATE: Effective February 5, 1988.

FOR FURTHER INFORMATION CONTACT: Kathleen Oram, Office of Legal Counsel (202) 634-6690.

SUPPLEMENTARY INFORMATION:

For the Commission.

Clarence Thomas,
Chairman.

Accordingly, Part 1601 is amended as follows:

PART 1601—[AMENDED]

1. The authority citation for 29 CFR Part 1601 continues to read as follows:

Authority: Sec. 713(a), Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000e-12(a), unless otherwise noted.

2. The first sentence of 29 CFR 1601.21(d) introductory text is revised as follows:

§ 1601.21 [Amended]

(d) The Commission hereby delegates to District Directors, or upon delegation, Area Directors or Local Directors; and the Program Director, Office of Program Operations, or upon delegation, the Director, Determinations Review Program, Office of Program Operations or the Directors, Regional Programs, Office of Program Operations, the authority, except in those cases involving issues currently designated by the Commission for priority review, upon completion of an investigation, to make a determination finding reasonable cause, issue a cause letter of determination and serve a copy of the determination upon the parties. * * *

[FR Doc. 88-2482 Filed 2-4-88; 8:45 am]

BILLING CODE 5570-06-M

29 CFR Part 1627

Congressional Action Concerning the Commission's Final Rule Allowing for Non-EEOC Supervised Waivers Under the Age Discrimination in Employment Act (ADEA)

AGENCY: Equal Employment Opportunity Commission.

ACTION: Notice of congressional action regarding final rule on ADEA waivers.

SUMMARY: On July 30, 1987 the Equal Employment Opportunity Commission voted to approve a final rule creating a legislative regulation and administrative exemption allowing for non-EEOC supervised waivers of private rights under the Age Discrimination in Employment Act (under section 9 of the ADEA and 29 CFR 1627.15). This final rule was published in the *Federal Register* of Thursday, August 27, 1987 (52 FR 32293), effective thirty days thereafter.

On December 22, 1987 Congress passed and the President signed Public Law 100-202 (appropriations for fiscal year 1988) which includes the following language:

Provided, That the final rule regarding unsupervised waivers under the Age Discrimination in Employment Act, issued by the Commission on August 27, 1987 (29 CFR sections 1627.16(c)(1)-(3)), shall not have effect during fiscal year 1988: Provided further, That none of the funds may be obligated or expended by the Commission to give effect to any policy or practice

pertaining to unsupervised waivers under the Age Discrimination in Employment Act.

EFFECTIVE DATE: December 22, 1987.

FOR FURTHER INFORMATION CONTACT: John K. Light, Attorney-Advisor, ADEA Division, Coordination and Guidance Services, Office of Legal Counsel, Equal Employment Opportunity Commission, 2401 E Street, NW., Washington, DC 20507, (202) 634-6423.

Signed this 25th day of January 1988 at Washington, DC.

For the Commission.

Clarence Thomas,
Chairman, Equal Employment Opportunity Commission.

[FR Doc. 88-2518 Filed 2-4-88; 8:45 am]

BILLING CODE 5570-06-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Parts 4, 126, and 127

[CGD 78-038]

Liquefied Natural Gas Waterfront Facilities

AGENCY: Coast Guard, DOT.

ACTION: Final rule.

SUMMARY: This rule establishes safety standards for the design and construction, equipment, operations, maintenance, personnel training, firefighting, and security at liquefied natural gas waterfront facilities. It implements the Ports and Waterways Safety Act of 1972, as amended, and is necessary to prevent or mitigate the results of an accidental release of liquefied natural gas (LNG) at a LNG waterfront facility (facility). This rule will reduce the possibility that such an accident could occur, and will reduce the damage and injury to persons and property should an accident occur.

EFFECTIVE DATE: This regulation is effective June 2, 1988. The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of June 2, 1988.

ADDRESSES: The Final Evaluation and the Final Environmental Assessment and Findings of No Significant Impact are available for inspection and copying at the Marine Safety Council (G-CMC), Room 2110, U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC, 20593-0001, (202) 267-1477. Normal office hours are between 7:00 a.m. and 4:00 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Lieutenant Michael V. Franchini, Project

Manager, Office of Marine Safety, Security and Environmental Protection (G-MPS-3), (202) 267-0493, between 7:00 a.m. and 3:30 p.m., Monday through Friday, except Federal holidays.

SUPPLEMENTARY INFORMATION: The Coast Guard published a Notice of Proposed Rulemaking (NPRM) (51 FR 18276) in the May 16, 1986 issue of the *Federal Register* and received over 300 comments on the proposal. No requests for a public hearing were received. The rule has been changed in light of the comments received.

The NPRM discussed the need and the regulatory history of this rule. The reader should refer back to this NPRM if he or she is interested in this information.

This rule applies only to that part of the facility between each vessel and the last manifold or valve immediately before the receiving tank, while the regulations promulgated by the Research and Special Programs Administration (RSPA), DOT, apply to that part of the facility beyond the last manifold or valve immediately before the receiving tank. The RSPA proposal revised regulations in a separate NPRM (51 FR 18007), published on the same day as the Coast Guard NPRM. The RSPA final rule (52 FR 674) was published on January 8, 1987.

Drafting Information

The principal persons involved in drafting this proposal are: Lieutenant Michael V. Franchini, Project Manager, and Stanley M. Colby, Project Counsel, Office of the Chief Counsel.

General Comments

Over 300 comments were received on the NPRM from 15 different commenters, the largest group [9] representing gas industry associations or facility operators. Government agencies, non-industry organizations, and individuals also commented. The Coast Guard has reviewed the comments and has adopted those which it deems appropriate.

Some commenters were confused over the applicability of the NPRM to inactive existing facilities. Most of these regulations do not apply to inactive existing facilities. The three exceptions will apply only if the inactive existing facility will become active. They are §§ 127.007 (c), (d), and (e), 127.019(b), and 127.701 and are listed in § 127.001(c). At least some of the confusion resulted from the use of the term, "existing structures", for inactive existing facilities in proposed §§ 127.001(c) and 127.007(c) of the NPRM. As five commenters

recommended, this has been clarified in the final rule so that they are referred to as inactive existing facilities.

Seven different commenters recommended using the words, "active" or "inactive" to distinguish between existing facilities, while two of these commenters suggested definitions for these words. We agree with these comments and have based the definitions on criteria contained in proposed § 127.007(e)(2) of the NPRM. In that section the operator would be required to notify the Captain of the Port (COTP) when LNG transfer operations are not scheduled within the next 12 months. Therefore, "active" and "inactive" in the NPRM were based on activity within a 12 month period.

In the final rule, a facility that is transferring LNG or is scheduling a LNG transfer operation within 12 months of the most recent transfer operation is "active". The facility will remain "active", if a LNG transfer operation is scheduled within 12 months of the most recent transfer operation, so that it does not change status from active to inactive after each transfer. If a facility is not active, i.e. not transferring LNG or not scheduling a LNG transfer operation within 12 months, the facility is "inactive" and would be required under § 127.007(e)(2) to notify the COTP.

The term, "in the marine transfer area", has been deleted throughout the final rule (with two exceptions in §§ 127.613 and 127.615) because its use is repetitive and confusing. These regulations apply only to the marine transfer area of the facility and this is clearly stated in the first section of the regulations, § 127.001, Applicability. It does not need to be repeated in other sections. In the NPRM, the term, "in the marine transfer area", was not used in every section. It was also deleted in the final rule so that it cannot be inferred that the sections, that did not contain the term, applied beyond this area.

One comment concerned the proposed definition of marine transfer area and the last manifold or valve immediately before the receiving tanks on a facility which exports LNG. The commenter suggested that the last valve or manifold before the receiving tanks on an export facility would be the valve—on the landside of the tanks and would then include the receiving tanks in the marine transfer area. This would be true if you followed the flow of LNG from the process plant to the vessel and your perspective was from the process plant or landside. This overlooks the fact that in the definition in § 127.005 the boundaries of the marine transfer area begin at the vessel or where it moors and end before the receiving tanks.

Therefore, the last manifold or valve is on the waterside of the tanks and the marine transfer area does not include the receiving tanks.

A few commenters suggested that these regulations would require existing facilities to make too many changes to their current operations. It is not our intent to place an undue burden on existing facilities or to attempt to make major changes to systems that already work. These regulations are meant to be, and are, minimum safety standards for the marine transfer area. If an existing facility cannot comply with these requirements, the operator has to change his operations, or submit a request for an alternative to the COTP. If this request is denied, the operator may appeal. No one set of regulations can be applied exactly to all existing facilities. The alternatives and appeals processes in §§ 127.015 and 127.017 allow existing facilities the flexibility that they need to operate without major changes to comply with these regulations.

Some commenters suggested that these regulations should contain more performance standards instead of prescriptive standards, and some additional performance standards have been included in the final rule, e.g. §§ 127.103 and 127.205. However, some proposed requirements were not suitable for formulation as performance standards. When the actual performance standards suggested by these commenters were evaluated, they were found to be too general and too vague and were not accepted.

Other commenters suggested that these regulations should be more like RSPA regulations. Every effort has been made to make these regulations as similar as possible to the RSPA regulations, including consulting with RSPA during the rulemaking process. RSPA regulations apply to inland facilities and the landside of waterfront facilities, while Coast Guard regulations apply only to the waterside of waterfront facilities. The regulatory concerns are not the same, so the regulations cannot be identical. These regulations must also be as similar as possible to other Coast Guard regulations. If they are not similar to Coast Guard regulations, they will be difficult to enforce by Coast Guard personnel and difficult to comply with by facility owners and operators.

The following discusses the section-by-section comments to the NPRM, as well as changes to each section in this final rule.

Subpart A—General

Five commenters recommended adding the words, "for which a Letter of

Intent under § 127.007 has been submitted", to the end of proposed § 127.001(b) so that inactive existing facilities are not required to comply with these regulations. It was never the intent of the Coast Guard that inactive existing facilities would have to comply with the proposed regulations. The proposed definition of "LNG waterfront facility" in the NPRM was such that a facility that did not transfer LNG was not a LNG waterfront facility and so did not have to comply with the regulations. We have clarified this point and satisfied the intent of these comments by adding the definition of the word, "active", and differentiating between active and inactive existing facilities in the regulations. The definition of "active" came from § 127.007(e)(2) in the NPRM and is discussed above with the general comments.

The same five commenters also recommended that the term, "existing structures" in § 127.001(c) be replaced with the word, "existing facilities". They reasoned that the word, "structure", was too generic and confusing. This confusion has been eliminated by referring to "existing structures" as "inactive existing facilities" in the final rule. Two sections, that apply to inactive existing facilities and were inadvertently left out in the NPRM, have also been added to § 127.001(c).

The Department of the Interior recommended a change to the definition of "environmentally sensitive areas" in § 127.005. Their change, to add the phrase, "other areas" deemed to be of high value to fish and wildlife resources", has been made.

Two commenters suggested a change to the proposed definition of "marine transfer area" in § 127.005. They recommended that the abbreviation, "{area}", be omitted to avoid any confusion with the other uses of the word, "area". This recommendation was accepted and the words, "marine transfer area", are used throughout the final rule instead of the word, "area". Three commenters recommended adding the words, "which is involved in the transfer of LNG", to the end of the definition of "marine transfer area" so that these regulations are not applied to process equipment or other areas under RSPA jurisdiction. This change was not made. These regulations address only those areas of the facility which are involved with the marine transfer of LNG. It would be inappropriate to apply them to areas beyond Coast Guard jurisdiction.

In § 127.007, Letter of intent, the words, "active existing facilities" are now used to differentiate between

active and inactive facilities, as recommended by six commenters. Less information than that proposed in the NPRM is now required in the letter of intent, in response to many commenter's requests. The requirement for maps and charts in § 127.007(d)(6) has been restricted to only that waterway used by the LNG vessels enroute to the facility, and has been reduced to within 25 kilometers of the facility. The information requirement in proposed § 127.007(d)(7) has been omitted because it is information that can be obtained by the COTP from other sources. Finally, changes to information in the letter of intent in § 127.007(e)(1) have been limited to changes only to the information in sections (d) (1) through (5). All of these changes will reduce the information reporting burden on facility operators and are in accordance with federal objectives under the Paperwork Reduction Act.

Four commenters requested that a time limit be placed in § 127.009, requiring the COTP to draft the letter of recommendation within 30 days. They wanted time to revise construction or operation plans if the COTP did not issue a favorable letter of recommendation. We agree that the COTP should prepare the letter of recommendation promptly so that delay and costs are minimized. However, circumstances vary and the Coast Guard does not intend to restrict the COTP or establish a right to a response in a specified time. There has been no demonstrated need for such provisions. Two commenters thought that the letter of recommendation was not necessary for existing facilities since their construction and operations had already been subject to review. This change has been made. The information proposed in § 127.007(d)(7) in the NPRM for the letter of intent still needs to be considered by the COTP when issuing a letter of recommendation. Because of this, this information, i.e. depths of water, tidal range, etc., has been included as § 127.009(d) in the final rule.

Two comments were made concerning proposed § 127.015, Appeals. They were: Including time limits on the actions of the COTP and requiring that any order remain in effect pending the outcome of the process. However, this section was not changed because the recommended changes would make this appeal procedure incompatible with procedures found in other Coast Guard regulations in Title 33. One of the above commenters also suggested time limits on the actions of the COTP be included in proposed § 127.017, Alternatives. Again, this change was not made. It is

Coast Guard policy to complete the required correspondence promptly in order not to cause the operator undue delay and costs. There has been no demonstrated need for specified time limits.

The words, "active" and "inactive", are used again in §§ 127.019 (a) and (b) to differentiate between existing facilities, as recommended by five commenters. Three commenters were concerned that not enough time was allowed operators of active existing facilities to submit the *Operations Manual* and the *Emergency Manual* in § 127.019. They suggested that from 90-180 days be given to submit the manuals. In response to these comments, the effective date of these regulations has been set at June 2, 1988. This should allow enough time to implement any new requirements or changes that result from these regulations, without suspending transfer operations.

Four commenters recommended that the *Operations Manual* and *Emergency Manual* be maintained on-site and not submitted to the COTP. We disagree with this recommendation. The COTP needs to refer to these manuals during discussions with facility personnel, during examinations, and subsequent questions by Coast Guard personnel, and while responding to emergencies. Having copies at the COTP office will save the operator and the Coast Guard time when the COTP references the manuals instead of visiting the facility and examining systems and equipment there.

Subpart B—Design and Construction

Section 127.101(b) has been added in response to the comment that there are requirements in proposed § 127.103(a) that a facility be designed to resist earthquake forces, but no earthquake criteria were provided. One commenter pointed out the conflict in the NPRM between proposed § 127.615, which does not allow fires in the marine transfer area, and proposed § 127.103(c), which allowed direct combustion heating equipment in the marine transfer area of new facilities. Because it was never our intent to allow fires in the marine transfer area, and to make the requirements consistent with NFPA 59A, "Standards for the Production, Storage and Handling of LNG—1985 edition", § 127.103(c) has been deleted.

Section 127.103(d), concerning LNG and LPG storage tanks, has been rewritten in response to four comments, which recommended that the size limit be replaced with a performance standard. Section 127.103(d)(3) has been added in response to four comments,

which stated there are other purposes for storage tanks in the marine transfer area.

Seven commenters recommended that "power systems" be changed to "power sources" in proposed § 127.107, Electrical power systems. These commenters argued that 100% redundant electrical systems are not necessary and not required in any other code or regulation. We agree and have made this change in the final rule. Five commenters expressed some confusion with the requirement in proposed § 127.107(b)(1) for emergency power for the control room. They questioned whether we intended that the emergency power source provide enough power for the operation of the control room itself or the systems operated from the control room. The emergency power source should not duplicate the operation of the electrical power source. It should provide power to only those systems necessary in an emergency. In order to eliminate this confusion and to be as specific as possible, § 127.107(b)(1) now requires emergency power only for the emergency shutdown system.

Six commenters made similar recommendations concerning the separate emergency lighting system in proposed § 127.109(a). This has been changed to "separate emergency lighting" so that there are not two redundant systems. Section 127.109(d)(1), one of the systems for which emergency lighting must be provided, has been changed to "emergency shutdown system" to be consistent with § 127.107(b)(1).

Six commenters recommended that, to be consistent, the proposed requirements in §§ 127.107 (d) and (e) for electrical equipment should be used in § 127.109(b)(1) for lighting equipment. Another commenter recommended in § 127.111(b)(1) that NFPA 70, the National Electric Code be used instead of Coast Guard regulations for intrinsic safety. We agree with both commenters that these paragraphs need to be consistent and that existing nationally-recognized codes should be used where possible. In order to eliminate the confusion of all three paragraphs referring to similar but different requirements in Coast Guard regulations and NFPA standards, and to make the electrical equipment requirements consistent throughout the regulations, §§ 127.107 (d) and (e), 127.109(b)(1), and 127.111(b) (1) and (2) have been omitted in the final rule in favor of § 127.101. In § 127.101 in the NPRM and in the final rule, the marine transfer area must meet NFPA 59A Chapter 7, Sections 7-6 and 7-7. These sections either refer to the

NFPA 70 requirements or are based on them.

Subpart C—Equipment

One commenter recommended a change to proposed § 127.201(a), Sensing and alarm systems, so that placement of the audio alarm in accordance with this requirement did not restrict its sound. In response to this recommendation the words, "where the sensors are located" are replaced with the word, "nearby". The words, "enclosed or covered" have been added to § 127.201(c)(1) because two commenters stated that, as proposed in the NPRM, it would require an excessive number of sensors.

Concerning § 127.205, Emergency shutdown, four commenters stated that outdoor gas sensors are notoriously unreliable when measuring LNG concentrations. They also said that the transfer operation is so well-manned, that it would be better to rely on the judgment of a qualified operator to activate the system. We agree that outdoor gas sensors may be unreliable, but do not agree that the activation of the emergency shutdown system should rely solely on the judgment of an operator. Instead of relying on outdoor gas sensors, the requirement in the final rule relies on measurements from the fixed sensors in § 127.201, which are located in enclosed areas, to activate the system automatically. The requirement to provide a means to activate the system manually, has not been changed.

Four commenters suggested that proposed § 127.207, Warning alarms, be omitted. We do not agree. This requirement applies only to new facilities and is essentially the same as the requirement that now applies to existing waterfront facilities in 33 CFR 126.16.

Subpart D—Operations

One change was made to § 127.301, Person in charge of shoreside transfer operations: Qualifications and certification. A commenter recommended a person in charge be allowed to obtain the required previous transfer experience at an inland or waterfront facility, since there are few active "facilities" as defined. The words, "at any facility", have been omitted to remove the restriction that the experience required in § 127.301(a)(1) be obtained at a facility covered by these rules. Two commenters stated that it is difficult to ensure that a person in charge "knows", as required by proposed §§ 127.301(a)(2)-(4), the hazards of LNG, etc. They recommended that the person in charge either take a written test or show documented

training to demonstrate the required knowledge. We have rejected this recommendation. The requirement is more flexible as written in the NPRM. It will be up to the facility operator to determine, by any appropriate means, that the person in charge complies with this requirement.

One commenter was concerned that transfer operations at active existing facilities would be suspended while the *Operations Manual* and the *Emergency Manual* were being examined, because of the proposed requirement in § 127.309(a). The effective date of the regulations has been set at June 2, 1988. This should allow more than enough time to submit the above manuals for examination and have a copy returned under the procedures in § 127.019.

The requirements in § 127.311 (b) and (c) for motor vehicles have been changed so that they apply only during transfer operations. Three commenters recommended this change so that maintenance vehicles may be allowed in other parts of the marine transfer area when transfer operations are not being conducted. Four other commenters recommended that proposed § 127.311(b) read "No person may leave unattended a motor vehicle in a space in the marine transfer area * * *". We do not agree. Including this criteria would remove all restrictions on where a motor vehicle stops or parks in the marine transfer area as long as it was "attended". This would not restrict ignition sources.

Four commenters recommended that the words, "flammable materials", be added after "the following" in proposed § 127.313, Bulk storage. This was done so that quantities of nitrogen, dry chemical, CO₂, and water could be stored in the marine transfer area.

In proposed § 127.315, Preliminary transfer inspection, paragraph (a) was clarified, as suggested by one commenter, so that only the transfer piping to be used during the transfer is inspected. It is not necessary to inspect transfer piping that is not being used. Two commenters recommended that the density not be noted in § 127.315(b) because it is usually calculated based on temperature and pressure. We accept this recommendation and have revised the section accordingly. Two commenters said that the facility should not be responsible for the ship's moorings, as suggested in proposed § 127.315(d). This is not the intent of the proposed requirement, which concerns the transfer connections and not the moorings. It is the responsibility of the facility to ensure that these connections do not unduly restrict the movement of the ship due to tides. This section has

not been revised. As recommended by four commenters, the references to sections which apply only to new facilities, in proposed §§ 127.315 (f) and (i) which apply to new and active existing facilities, have been omitted.

Two comments were made concerning proposed § 127.317(c), Declaration of inspection. One recommended that the signature of the relief person in charge was not needed and the other recommended revised wording, both without supporting reasons. Without such support, other than implied preference, there was no reason to make any changes to this section.

Several comments were made concerning proposed § 127.319, LNG transfer. We agreed with the recommendation that vessels be allowed to moor outboard of an LNG vessel with the permission of the COTP, and revised § 127.319(a)(3). This is necessary to provide moorings for vessels which receive oily wastes and for tugs. Concerning proposed § 127.319(b)(3)(iii), two commenters recommended that we define "uncontrolled fires". This is not necessary. When the meaning of a word is not distinguished by a definition of it in the regulations, it has the every-day meaning found in a dictionary. This is true in this case; "uncontrolled" means lack of control. Seven commenters questioned the distance proposed in § 127.319(b)(3). The resulting revisions simplify the requirement so that transfer operations must be discontinued before electrical storms or uncontrolled fires are adjacent to the marine transfer area. The reference in proposed § 127.319(b)(4) to § 127.109, which only applies to new facilities, has been omitted, as recommended by six commenters.

Concerning proposed § 127.321, Release of LNG, two commenters recommended changes that would allow facilities to release small amounts of LNG during normal operations, but did not recommend what amount could be released safely. We do not believe that there is an amount of LNG that can be released into the water safely. LNG spilled on the water could not be contained and would spread and evaporate very quickly. This release could easily find an ignition source. This recommendation was rejected.

Subpart E—Maintenance

Five commenters recommended that, in order to be consistent with RSPA requirements, we change §§ 127.403, Inspections, and 127.407(a), Testing, to read, "each calendar year, but with intervals not exceeding 15 months".

These changes were made because we agree that one facility piping system should not have two different inspection and testing intervals. Section 127.405(a)(1), which applies to active existing facilities, references subparts that apply only to new facilities. It has been revised to read, "the applicable requirements", as recommended by five commenters.

Two other changes were made to this subpart, both in proposed § 127.407, Testing. In § 127.407(a)(4), seven commenters stated that piping that is constantly kept at cryogenic temperature does not undergo physical or thermal stress from expansion/contraction and is not susceptible to corrosion. For these reasons, this piping does not need to be tested, and this exception has been included in this section. Also, the requirement to test the transfer system to 1.5 times the Maximum Allowable Working Pressure (MAWP) in proposed § 127.407(b) has been changed to 1.1 times the MAWP. Nine commenters pointed out that to test to 1.5 times the MAWP was not consistent with nationally recognized codes and almost impossible to accomplish with LNG piping.

Subpart F—Personnel Training

Four commenters expressed concern about the effective date of the training requirements in proposed § 127.501 for inactive existing facilities. Inactive existing facilities are not required to meet the training requirements in this section while they are inactive. For this reason, the applicability of this subpart has been clarified and included in the final rule in a new section, § 127.501, Applicability. Because the effective date of these regulations has been set at January 2, 1988, this new section also allows sufficient time to complete the required training.

Five commenters were confused with the applicability of our training requirements to employees who do not work in the marine transfer area. Because the regulations only apply in the marine transfer area, these training requirements only apply to employees who work in this area. The training descriptions in proposed §§ 127.501 (a)(1) and (b)(2)–(4) were respecified, but the training remains the same. These descriptions were too general in the NPRM and some commenters were not sure what was required.

Two commenters recommended that refresher training in proposed § 127.501(c) be required every 2 years, as required by RSPA. However, refresher training every 5 years is consistent with Coast Guard regulations for merchant seaman. Our experience

with that program does not support the need for more frequent refresher training.

Subpart G—Firefighting

Proposed § 127.605, Emergency outfits, was rewritten as recommended by three commenters, so that the storage of the outfits is not limited to the marine transfer area. The final rule requires that there be an emergency outfit for each person whose duties include fighting fires, instead of requiring that, "Each area must have an emergency outfit * * *". This will ensure that the outfits are also available for use in other portions of the facility and not isolated in the marine transfer area. Two commenters questioned the need for emergency outfits. Protective clothing, i.e. emergency outfits, is needed for two purposes. First, any person involved in firefighting must be protected with at least an emergency outfit. Second, emergency outfits are usually needed by members of a rescue team (minimum of two) to rescue an injured person. The requirements in § 127.605 are minimum requirements. If no person is assigned to firefighting duties, the facility is only required to maintain two outfits for rescue purposes. This section does not require the facility to develop an extensive firefighting and rescue capability.

The requirement in proposed § 127.607(a), Fire main systems, to provide two water streams to each part of the marine transfer area can be excessive on a marine transfer area that is very large and spread out. It is not our intent to require facility operators to protect large areas of the marine transfer area that do not contain LNG. Therefore, this section has been rewritten, as two commenters recommended, so that two water streams must only be provided for each part of the LNG transfer piping and connections. Two other commenters recommended that these requirements go one step further and that only the portion of the marine transfer area within 100 meters of the loading flange be protected by water streams. This recommended change has not been made because protecting only the loading flange area would not be enough to protect most marine transfer areas. There may be exceptions to this. An example is where there are miles of transfer pipeline that can easily be isolated in many places along the line, where the transfer pipeline is not located near other structures or equipment in the marine transfer area, and where there are sufficient water streams to protect the loading flange area and the receiving tanks. However,

this type of marine transfer area is rare. Because of this and because these requirements are not intended to result in major refitting of existing facilities, this may be a requirement for which a facility would request an alternative under § 127.017. This request could then be evaluated by the COTP.

In the same section, Fire main systems, § 127.607(c)(2) was intended to stand alone and not be required at the same time as paragraph (c)(1). However, six commenters interpreted these requirements so that the fire main system would provide the required pressure in paragraph (c)(2) while all the other hydrants were open as required in paragraph (c)(1). The words, "when only those two outlets are open", have been added to the end of § 127.607(c)(2) in order to clarify it. One commenter wanted to be able to use hoses that were greater than 1½ inches in diameter as required in § 127.607(f). This was accomplished by inserting the words "or more", after inches in this requirement.

The coverage of the dry chemical system in § 127.609(a) also concerned a few commenters. Two commenters recommended that the system not provide two dry chemical discharges to each part of the marine transfer area, but that it provide discharges only to that part along the LNG transfer piping and connections. Two other commenters recommended that it provide coverage to only the area around the loading flange. We agree that providing dry chemical discharges for the entire marine transfer area, which does not contain LNG, or for the transfer piping and connections, which may be very long, is unreasonable. Therefore, § 127.609(a) has been rewritten, as recommended by the comments, so that the dry chemical system provides discharges to only that area surrounding the loading arms. Two commenters suggested that this section be revised one step further, i.e. that only a dry chemical system be required, with no other requirements for number of discharges, coverage, etc. This comment was rejected because it would make the requirement too broad and too general. It would leave it completely up to the different COTPs and the facility operators to decide what dry chemical system should exist, without any guidance from the regulation.

Four comments were received concerning proposed § 127.613, Smoking, stating that smoking should be allowed in posted areas approved by the COTP. The requirement in the NPRM does not prohibit smoking in the marine transfer area. It only prohibits smoking when

there is LNG in the marine transfer area. Therefore, this comment was not accepted.

Subpart H—Security

Proposed § 127.703, Access to the marine transfer area, has been rewritten to allow into the marine transfer area personnel authorized by the facility operator and visitors with temporary identifying badges. Seven commenters recommended these changes so that elected officials, corporate executives, foreign dignitaries, etc. could be allowed into the marine transfer area.

Evaluation

The Transportation Systems Center (TSC) prepared a report entitled, *Preliminary Impact Analysis of the U.S. Coast Guard's Proposed LNG Regulations*, which is included in the docket file and is available through the Project Manager listed under "For Further Information Contact". For the analysis, a composite baseline standard was used by which the types of incremental costs and benefits, as well as their distributional effects, were identified. The baseline consisted of: (1) Current Coast Guard Waterfront Facilities regulations (33 CFR 126); (2) USCG facility operations plans which are issued by the COTP for the port in which an LNG facility is located; and (3) National Fire Protection Association (NFPA) standards. The primary LNG standard is NFPA 59A, "Standards for the Production, Storage and Handling of LNG—1985 edition". NFPA standards are considered to be minimum industry standards voluntarily adopted by the LNG industry. The analysis determined the impacts of the Advance Notice of Proposed Rulemaking (ANPRM) by identifying where the proposed regulations exceed current practices and, therefore, where costs and benefits would accrue.

Of the 72 sections contained in the ANPRM, 54 were analyzed in the TSC report. Thirty-five or 65% of the 54 analyzed, introduced no change from the current baseline standards. Of the nineteen sections of the ANPRM that exceeded current requirements and standards, fifteen resulted in administrative costs, mostly for facility operators. Most of these costs would be minimal and not recurring. An example of an administrative cost would be the preparation and submission of an *Operations Manual* and an *Emergency Manual* to the COTP. The impact of this requirement would be minimal because facility operators already submit much of this information to the COTP or maintain it themselves.

The proposed fire protection and security regulations of the ANPRM and NPRM were not analyzed by TSC because the Coast Guard's proposed regulations are similar to the RSPA's final rules found in 49 CFR Part 193. A telephone survey of all facilities indicated that the proposed regulations in the NPRM did not exceed known current industry practices. However, some comments to the NPRM indicated that this was not true for some of the proposed regulations. Changes to the final rule, as a result of these comments, ensure that these regulations do not exceed current industry practices.

To ensure the currency and validity of the TSC report, requests for estimates of the compliance costs of this NPRM, were sent to two operating facilities. The results were the latest cost figures and confirmed that the TSC report could still be applied to the NPRM. The survey information and the TSC report were both used in the final cost/benefit analysis.

Of the 52 sections contained in the NPRM, 39 or 75% introduced no change from the current baseline requirements and standards. Of the thirteen sections of the NPRM that exceed current requirements, 8 would result in administrative costs. This is a 32% decrease from ANPRM to NPRM in the number of sections in the rulemaking that exceed current requirements. These figures also apply to the final rule.

These safety standards will result in low compliance costs. According to the analysis in the Final Evaluation, the total initial cost of these regulations to the LNG industry is \$96,000.00 and the annual recurring cost is \$44,000.00. These costs represent such a relatively small amount of money to the industry that it is believed that these regulations will have no perceptible impact on the industry.

The TSC analysis concluded that due to the low probability of an LNG accident occurring, the expected value of the quantifiable benefits of the NPRM were low. The benefits would be great if an accident occurred. A "maximum-credible accident", as discussed in the Final Evaluation, involving a pool fire of 30,000 m³ in an area with a population density of 10 people per km² at the dock site, could result in 21 fatalities with a cost to society in excess of \$21 million in property damage, injury, and loss of life. If the same pool fire occurred in an area with a population 1000 persons per km², the result could be 3,810 fatalities with social costs of over \$3.8 billion in property damage, injury, and loss of life.

Accidents involving small amounts of LNG have occurred in the past. The

National Transportation Safety Board (NTSB) investigated one such accident that occurred at a facility on October 6, 1979. According to NTSB report No. NTSB-PAR-80-2, "About 3:35 a.m., e.d.t., an explosion caused by liquefied natural gas vapors destroyed a transformer building at the reception facility of the Columbia LNG Corporation, Cove Point, Maryland. Odorless liquefied natural gas leaked through an inadequately tightened LNG pump seal, vaporized, passed through approximately 210 ft. of underground electrical conduit, and entered the substation building. One person was killed and one person was seriously injured. Damage to the facility was estimated at about \$3 million."

Despite the very large savings that would result from preventing a major LNG accident or mitigating the results of an accident if it occurred at an LNG facility, it is difficult to precisely quantify the benefits that will accrue. This is because of the extremely low probability of a major LNG accident occurring. The limited number of reported LNG facility accidents requires that probability estimates of accidents be based on the theoretical analysis of factors which might lead to their occurrence. There is large inherent uncertainty associated with such estimates, and hence of the cost/benefit values derived from them. Because of such uncertainties, prudence dictates an extra measure of caution where there is potential for a catastrophic accident. Such caution should be weighed along with other considerations when judging the need for safety standards that can reduce the possibility of a catastrophic LNG accident. This is true even when these measures may not be justified based on a theoretical risk analysis.

The benefits that cannot be quantified were discussed in the preamble of the NPRM. They include replacing outdated regulations; filling a gap in federal regulations, making industry standards and practices mandatory, and consolidating and better organizing the regulations.

These safety standards are considered to be non-major under Executive Order 12291 of February 17, 1981 (3 CFR, 1982 Comp., p. 127) and non-significant under the DOT regulatory policies and procedures (44 FR 11034; February 26, 1979). The total cost to the industry of these LNG safety standards does not exceed the \$100 million threshold to qualify as a major rulemaking, and so a Regulatory Impact Analysis is not required.

This rule contains information collection requirements in sections

127.007, 127.015, 127.017, 127.019, 127.301, 127.317, and 127.409. They have been approved by the Office of Management and Budget under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) and assigned control number 2115-0552. As a result of the comments received, the information collection requirements have been reduced in the final rule.

The Coast Guard certifies that this rule will not have a significant economic impact on a substantial number of small entities. This is because few, if any, small entities are involved in these costly and highly technical operations. All the existing facilities are owned and operated by multimillion dollar corporations.

This regulatory project is not anticipated to have an adverse impact on the environment. It is intended to prevent or mitigate the results of a catastrophic accident at a facility.

The Final Evaluation and the Final Environmental Assessment and Finding of No Significant Impact have been placed in the rulemaking docket file and are available for inspection and copying from the Marine Safety Council (G-CMC), U.S. Coast Guard, 2100 Second Street, SW., Washington, DC 20593-0001, (202) 267-1477.

List of Subjects

33 CFR Part 4

Reporting and recordkeeping requirements.

33 CFR Part 126

Explosives, Harbors, Hazardous substances, Reporting and recordkeeping requirements

33 CFR Part 127

Harbors, Hazardous substances, Incorporation by reference, Natural gas, Security measures, Vessels

In accordance with the preceding, Subchapter L, Chapter I of Title 33, Code of Federal Regulations is amended as follows:

PART 4—[AMENDED]

1. The authority citation to Part 4 continues to read as follows:

Authority: 44 U.S.C. 3507; 49 CFR 1.45(a).

§ 4.02 [Amended]

2. By amending § 4.02 by adding a new listing in proper chronological sequence to read as follows:

33 CFR part or section where identified and described	Current OMB control number
Part 127.....	2115-0552

PART 126—[AMENDED]

3. The authority citation to Part 126 is revised to read as follows:

Authority: 33 U.S.C. 1231; 49 CFR 1.46(n)(4).

§ 126.05 [Amended]

4. By amending § 126.05(a) by adding the words ", except methane" after the words "any flammable or combustible liquid in bulk".

§ 126.10 [Amended]

5. By removing the word "Methane" from the list in § 126.10(d).

6. By adding a new Part 127 to read as follows:

PART 127—LIQUEFIED NATURAL GAS WATERFRONT FACILITIES

Subpart A—General

Sec.

- 127.001 Applicability.
- 127.003 Incorporation by reference.
- 127.005 Definitions.
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- 127.011 LNG waterfront facility inspections.
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- 127.015 Appeals.
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- 127.019 *Operations Manual and Emergency Manual: Procedures for examination.*

Subpart B—Design and Construction

- 127.101 Design and construction: General.
- 127.103 Piers and wharves.
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- 127.301 Persons in charge of shoreside transfer operations: Qualifications and certification.
- 127.303 Compliance with suspension order.
- 127.305 *Operations Manual.*
- 127.307 *Emergency Manual.*
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- 127.311 Motor vehicles.
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- 127.319 LNG transfer.
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Subpart E—Maintenance

- 127.401 Maintenance: General.
- 127.403 Inspections.
- 127.405 Repairs.
- 127.407 Testing.
- 127.409 Records.

Subpart F—Personnel Training

- 127.501 Applicability.
- 127.503 Training: General.

Subpart G—Firefighting

Fire Equipment

- 127.601 Fire equipment: General.
- 127.603 Portable fire extinguishers.
- 127.605 Emergency outfits.
- 127.607 Fire main systems.
- 127.609 Dry chemical systems.
- 127.611 International shore connection.

Fire Protection

- 127.613 Smoking.
- 127.615 Fires.
- 127.617 Hotwork.

Subpart H—Security

- 127.701 Security on existing facilities.
- 127.703 Access to the marine transfer area.
- 127.705 Security systems.
- 127.707 Security personnel.
- 127.709 Protective enclosures.
- 127.711 Communications.

Authority: 33 U.S.C. 1231; 49 CFR 1.46(n)(4).

Subpart A—General

§ 127.001 Applicability.

(a) This part applies to the marine transfer area of new LNG waterfront facilities and to new construction in the marine transfer area of existing LNG waterfront facilities.

(b) Subparts A, D, E, F, and G and § 127.701 apply to the marine transfer area of active existing LNG waterfront facilities.

(c) Sections 127.007 (c), (d), and (e), 127.019(b), and 127.701 apply to the marine transfer area of inactive existing LNG waterfront facilities.

§ 127.003 Incorporation by reference.

(a) Certain materials are incorporated by reference into this part with the approval of the Director of the Federal Register. The Office of the Federal Register publishes a table "Material Approved for Incorporation by Reference," which appears in the Finding Aids section of this volume. To enforce any edition other than the one listed in paragraph (b) of this section, notice of change must be published in the **Federal Register** and the material made available. All approved material may be obtained from the National Fire Protection Association at the address

indicated in 33 CFR § 127.003(b) of this section.

(b) The materials approved for incorporation by reference in this part are:

"National Fire Protection Association" Batterymarch Park, Quincy MA 02269

NFPA 10 Portable Fire Extinguishers, 1984

NFPA 30 Flammable and Combustible Liquids Code, 1984

NFPA 51B Fire Prevention in Use of Cutting and Welding Processes, 1984

NFPA 59A Production, Storage and Handling of Liquefied Natural Gas (LNG), 1985

NFPA 70 National Electrical Code, 1987

NFPA 251 Fire Tests of Building Construction and Materials, 1985

§ 127.005 Definitions.

As used in this part:

"Active" means transferring LNG or scheduling a LNG transfer operation within 12 months of the most recent transfer operation.

"Captain of the Port" (COTP) means the Coast Guard officer designated by the Commandant to command a Captain of the Port Zone as described in Part 3 of this chapter, or an authorized representative.

"Commandant" means the Commandant of the U.S. Coast Guard or an authorized representative.

"Control room" means a space within the LNG waterfront facility from which facility operations are controlled.

"District Commander" means the Coast Guard officer designated by the Commandant to command a Coast Guard District as described in Part 3 of this chapter, or an authorized representative.

"Environmentally sensitive areas" include public parks and recreation areas, wildlife and waterfowl refuges, fishing grounds, wetlands, other areas deemed to be of high value to fish and wildlife resources, historic sites, and other protected areas.

"Existing" means constructed or being constructed under a contract awarded before (insert the effective date of these regulations).

"Fire endurance rating" means the duration for which an assembly or structural unit will contain a fire or retain structural integrity when exposed to the temperatures specified in the standard time-temperature curve in NFPA 251.

"Inactive" means not active.

"Impounding space" means a space formed by dikes and floors that confines a spill of LNG.

"Liquefied natural gas" (LNG) means a liquid or semisolid consisting mostly of methane and small quantities of ethane, propane, nitrogen, or other natural gases.

"Liquefied petroleum gas" (LPG) means a liquid consisting mostly of propane or butane or both.

"Loading flange" means the connection or group of connections in the cargo transfer pipeline on the facility that connects the facility pipeline to the vessel pipeline.

"LNG vessel" means a watercraft constructed or converted to carry LNG in bulk.

"LNG waterfront facility" (facility) means a waterfront facility, as defined in § 126.01, at which LNG transfer operations are conducted.

"Marine transfer area" means that portion of a facility between the vessel, or where the vessel moors, and the last manifold or valve immediately before the receiving tanks.

"Maximum allowable working pressure" (MAWP) means the maximum gauge pressure permissible at the top of equipment, containers, or pressure vessels while operating at design temperature.

"New" means constructed or being constructed under a contract awarded on or after (insert the effective date of these regulations).

"Person in charge of transfer operations on the vessel" is the person designated the person in charge of cargo transfer under 46 CFR 154.1831.

"Substructure" means the deck of a pier or wharf and the structural components below that deck.

§ 127.007 Letter of intent.

(a) An owner who intends to build a new facility or the owner or operator who plans new construction on an existing facility, must submit a letter of intent that meets paragraph (d) of this section to the COTP of the zone in which the facility is or will be located, at least 60 days before construction begins.

(b) The owner or operator of an active existing facility shall submit a letter of intent that meets paragraph (d) of this section to the COTP of the zone in which the facility is located.

(c) An owner or operator of an inactive existing facility shall submit a letter of intent that meets paragraph (d) of this section to the COTP of the zone in which the facility is located, at least 60 days before transferring LNG.

(d) Each letter of intent must contain—

(1) The name, address, and telephone number of the owner and operator;

(2) The name, address, and telephone number of the facility;

(3) The physical location of the facility;

(4) A description of the facility;

(5) The LNG vessels' characteristics and the frequency of LNG shipments to or from the facility; and

(6) Charts showing waterway channels and identifying commercial, industrial, environmentally sensitive, and residential areas in and adjacent to the waterway used by the LNG vessels en route to the facility, within 25 kilometers (15.5 miles) of the facility.

(e) The owner or operator who submits a letter of intent under paragraph (a), (b), or (c), shall notify the COTP in writing within 15 days if—

(1) There is any change in the information submitted under paragraphs (d)(1) through (d)(5) of this section; or

(2) No LNG transfer operations are scheduled within the next 12 months.

§ 127.009 Letter of recommendation.

After the COTP receives the letter of intent under § 127.007 (a) or (c), the COTP issues a letter of recommendation to the owner or operator of the facility and to the state and local government agencies having jurisdiction, as to the suitability of the waterway for LNG marine traffic, based on the—

(a) Information submitted under §§ 127.007 (d)(3) through (d)(6);

(b) Density and character of marine traffic in the waterway;

(c) Locks, bridges, or other man-made obstructions in the waterway; and

(d) Following factors adjacent to the facility:

(1) Depths of the water.

(2) Tidal range.

(3) Protection from high seas.

(4) Natural hazards, including reefs, rocks, and sandbars.

(5) Underwater pipelines and cables.

(6) Distance of berthed vessel from the channel and the width of the channel.

Note.—The Coast Guard is authorized by law to establish water or waterfront safety zones, or other measures for limited, controlled, or conditional access and activity, when necessary for the protection of any vessel, structure, waters, or shore area.

§ 127.011 LNG waterfront facility inspections.

The operator shall ensure that the COTP or his representative is allowed to make reasonable examinations and inspections to determine whether the facility meets this part.

§ 127.013 Suspension of transfer operations.

(a) The COTP may issue an order to the operator to suspend LNG transfer

operations if the COTP finds any condition requiring immediate action to—

(1) Prevent damage to, or the destruction of, any bridge or other structure on or in the navigable waters of the United States, or any land structure or shore area immediately adjacent to such waters; and

(2) Protect the navigable waters and the resources therein from harm resulting from vessel or structure damage, destruction, or loss.

(b) Each order to suspend transfer operations issued under paragraph (a) of this section—

(1) Is effective immediately;

(2) Contains a statement of each condition requiring immediate action; and

(3) Is withdrawn by the COTP whenever each condition is corrected or no longer exists.

§ 127.015 Appeals.

(a) Any person directly affected by an action taken under this part may request reconsideration by the Coast Guard officer responsible for that action.

(b) Except as provided under paragraph (e) of this section, any person not satisfied with a ruling made under the procedure contained in paragraph (a) of this section may—

(1) Appeal that ruling in writing to the District Commander of the district in which the action was taken; and

(2) Supply supporting documentation and evidence that the appellant wishes to have considered.

(c) The District Commander issues a ruling after reviewing the appeal submitted under paragraph (b) of this section. Except as provided under paragraph (e) of this section, any person not satisfied with this ruling may—

(1) Appeal that ruling in writing to the Chief, Office of Marine Safety, Security and Environmental Protection, U.S. Coast Guard, Washington, DC 20593-0001; and

(2) Supply supporting documentation and evidence that the appellant wishes to have considered.

(d) The Chief, Office of Marine Safety, Security and Environmental Protection issues a ruling after reviewing the appeal submitted under paragraph (c) of this section, which is final agency action.

(e) If the delay in presenting a written appeal has an adverse impact on the operations of the appellant, the appeal under paragraph (b) or (c) of this section—

(1) May be presented orally; and

(2) Must be submitted in writing within five days after the oral presentation—

(i) With the basis for the appeal and a summary of the material presented orally; and

(ii) To the same Coast Guard official who heard the oral presentation.

§ 127.017 Alternatives.

(a) The COTP may allow alternative procedures, methods, or equipment standards to be used by an operator instead of any requirements in this part if—

(1) The operator submits a written request for the alternative at least 30 days before facility operations under the alternative would begin, unless the COTP authorizes a shorter time; and

(2) The alternative provides at least the same degree of safety provided by the regulations in this part.

(b) The COTP approves or disapproves any alternative requested under paragraph (a) of this section—

(1) In writing; or

(2) Orally, with subsequent written confirmation.

§ 127.019 Operations Manual and Emergency Manual: Procedures for examination.

(a) The owner or operator of an active existing facility shall submit two copies of the *Operations Manual* and of the *Emergency Manual* to the Captain of the Port of the zone in which the facility is located.

(b) At least 30 days before transferring LNG, the owner or operator of a new or an inactive existing facility shall submit two copies of the *Operations Manual* and of the *Emergency Manual* to the Captain of the Port of the zone in which the facility is located, unless the manuals have been examined and there have been no changes since that examination.

(c) If the COTP finds that the *Operations Manual* meets § 127.305 and the *Emergency Manual* meets § 127.307, the Captain of the Port returns a copy to the owner or operator marked "Examined by the Coast Guard".

(d) If the COTP finds that the *Operations Manual* or the *Emergency Manual* does not meet this part, the Captain of the Port returns the manual with an explanation of why it does not meet this part.

Subpart B—Design and Construction

§ 127.101 Design and construction: General.

The marine transfer area must meet the following criteria in NFPA 59A:

(a) Chapter 2, Sections 2-1.2 and 2-3.

(b) Chapter 4, Section 4-1.3.

(c) Chapter 6.

(d) Chapter 7, Sections 7-6 and 7-7.

(e) Chapter 8, except Sections 8-3, 8-5 and 8-7.2.

§ 127.103 Piers and wharves.

(a) If the facility is in a region subject to earthquakes, the piers and wharves must be designed to resist earthquake forces.

(b) Substructures, except moorings and breasting dolphins, that support or are within 5 meters (16.4 feet) of any pipe or equipment containing LNG, or are within 15 meters (49.2 feet) of a loading flange, must—

(1) Be made of concrete or steel; and

(2) Have a fire endurance rating of not less than two hours.

(c) LNG or LPG storage tanks must have the minimum volume necessary for—

(1) Surge protection;

(2) Pump suction supply; or

(3) Other process needs.

§ 127.105 Marine transfer area layout and spacing.

(a) LNG impounding spaces must be located so that the heat flux from a fire over the impounding spaces does not cause structural damage to an LNG vessel moored or berthed at the facility.

(b) Each LNG loading flange must be located at least 300 meters (984.3 feet) from the following which are primarily intended for the use of the general public or railways:

(1) Each bridge crossing a navigable waterway.

(2) Each entrance to any tunnel under a navigable waterway.

§ 127.107 Electrical power systems.

(a) The electrical power system must have a power source and a separate emergency power source, so that failure of one source does not affect the capability of the other source. The system must meet the National Electrical Code, NFPA 70.

(b) The emergency power source must provide enough power for the operation of the—

(1) Emergency shutdown system;

(2) Communications equipment;

(3) Firefighting equipment; and

(4) Emergency lighting.

(c) If an auxiliary generator is used as an emergency power source, it must meet Section 700-12 of NFPA 70.

§ 127.109 Lighting systems.

(a) The marine transfer area must have a lighting system and separate emergency lighting.

(b) All outdoor lighting must be located or shielded so that it is not confused with any aids to navigation and does not interfere with navigation on the adjacent waterways.

(c) The lighting system must provide an average illumination on a horizontal plane one meter (3.3 feet) above the deck that is—

(1) 54 lux (five foot-candles) at any loading flange; and

(2) 11 lux (one foot-candle) at each work area.

(d) The emergency lighting must provide lighting for the operation of the—

(1) Emergency shutdown system;

(2) Communications equipment; and

(3) Firefighting equipment.

§ 127.111 Communications systems.

(a) The marine transfer area must have a ship-to-shore communication system and a separate emergency ship-to-shore communication system.

(b) Each ship-to-shore communication system must be a dedicated system that allows voice communication between the person in charge of transfer operations on the vessel, the person in charge of shoreside transfer operations, and personnel in the control room.

§ 127.113 Warning signs.

(a) The marine transfer area must have warning signs that—

(1) Meet paragraph (b) of this section;

(2) Can be seen from the shore and the water; and

(3) Have the following text:

Warning

Dangerous Cargo

No Visitors

No Smoking

No Open Lights

(b) Each letter in the words on the sign must be—

(1) Block style;

(2) Black on a white background; and

(3) 7.6 centimeters (3 inches) high.

Subpart C—Equipment

§ 127.201 Sensing and alarm systems.

(a) Fixed sensors must have audio and visual alarms in the control room and audio alarms nearby.

(b) Fixed sensors that continuously monitor for LNG vapors must—

(1) Be in each enclosed area where vapor or gas may accumulate; and

(2) Meet Section 9-4 of NFPA 59A.

(c) Fixed sensors that continuously monitor for flame, heat, or products of combustion must—

(1) Be in each enclosed or covered Class I, Division 1, hazardous location defined in Section 500-5(a) of NFPA 70 and each area in which flammable or combustible material is stored; and

(2) Meet Section 9-4 of NFPA 59A.

§ 127.203 Portable gas detectors.

The marine transfer area must have at least two portable gas detectors capable

of measuring 0-100% of the lower flammable limit of methane.

§ 127.205 Emergency shutdown.

Each transfer system must have an emergency shutdown system that—

(a) Can be activated manually; and

(b) Is activated automatically when the fixed sensors under § 127.201(b) measure LNG concentrations exceeding 40% of the lower flammable limit.

§ 127.207 Warning alarms.

(a) The marine transfer area must have a rotating or flashing amber light with a minimum effective flash intensity, in the horizontal plane, of 5000 candelas. At least 50% of the required effective flash intensity must be maintained in all directions from 1.0 degree above to 1.0 degree below the horizontal plane.

(b) The marine transfer area must have a siren with a minimum $\frac{1}{3}$ -octave band sound pressure level at 1 meter of 125 decibels referenced to 0.0002 microbars. The siren must be located so that the sound signal produced is audible over 360 degrees in a horizontal plane.

(c) Each light and siren must be located so that the warning alarm is not obstructed for a distance of 1.6 km (1 mile) in all directions.

Subpart D—Operations

§ 127.301 Persons in charge of shoreside transfer operations: Qualifications and certification.

(a) No person may serve, and the operator of the facility may not use the services of any person, as a person in charge of shoreside transfer operations, unless that person—

(1) Has at least 48 hours of LNG transfer experience;

(2) Knows the hazards of LNG;

(3) Knows the rules of this subpart; and

(4) Knows the procedures in the examined *Operations Manual* and the examined *Emergency Manual*.

(b) Before a person in charge of shoreside transfer operations supervises a transfer, the operator shall certify in writing that the criteria in paragraph (a) of this section are met. The operator shall maintain a copy of each current certification available for inspection at the facility.

§ 127.303 Compliance with suspension order.

If an order to suspend is given to the operator or owner of the facility, no LNG transfer operations may be conducted at the facility until the order is withdrawn by the COTP.

§ 127.305 Operations Manual.

Each *Operations Manual* must contain—

(a) A description of the transfer system including mooring areas, transfer connections, control rooms, and diagrams of the piping and electrical systems;

(b) The duties of each person assigned for transfer operations;

(c) The maximum relief valve setting or maximum allowable working pressure of the transfer system;

(d) The facility telephone numbers of facility supervisors, persons in charge of shoreside transfer operations, personnel on watch in the marine transfer area, and security personnel;

(e) A description of the security systems for the marine transfer area;

(f) The procedures for—

(1) Transfer operations including gauging, cool down, pumping, venting, and shutdown;

(2) Transfer operations start-up and shutdown;

(3) Security violations; and

(4) The communications systems; and

(g) A description of the training programs established under § 127.503.

§ 127.307 Emergency Manual.

Each *Emergency Manual* must contain—

(a) LNG release response procedures, including contacting local response organizations;

(b) Emergency shutdown procedures;

(c) A description of the fire equipment and systems and their operating procedures;

(d) A description of the emergency lighting and emergency power systems;

(e) The telephone numbers of local Coast Guard units, hospitals, fire departments, police departments, and other emergency response organizations;

(f) If the facility has personnel shelters, the location of and provisions in each shelter;

(g) First aid procedures and if there are first aid stations, the locations of each station; and

(h) Emergency procedures for mooring and unmooring a vessel.

§ 127.309 Operations Manual and Emergency Manual: Use.

The operator shall ensure that—

(a) LNG transfer operations are not conducted unless the facility has an examined *Operations Manual* and examined *Emergency Manual*;

(b) Each transfer operation is conducted in accordance with the examined *Operations Manual*; and

(c) Each emergency response is in accordance with the examined *Emergency Manual*.

§ 127.311 Motor vehicles.

(a) The operator shall designate and mark parking spaces that—

- (1) Do not block fire lanes;
- (2) Do not impede any exits;
- (3) Are not located in any impounding space; and

(4) Are not within 15 meters (49.2 feet) of any storage tank or loading flange.

(b) During transfer operations, no person may—

(1) Stop or park a motor vehicle in a space that is not designated a parking space; or

(2) Refuel any motor vehicle.

§ 127.313 Bulk storage.

(a) The operator shall ensure that only the following flammable materials are stored in the marine transfer area:

- (1) LNG.
- (2) LPG.
- (3) Vessel fuel.
- (4) Oily waste from vessels.
- (5) Solvents, lubricants, paints, and other fuels in the amount used for one day's operations and maintenance.

(b) Flammable liquids must be stored in accordance with Chapter 4 of NFPA 30.

§ 127.315 Preliminary transfer inspection.

Before transferring LNG, the person in charge of shoreside transfer operations shall—

(a) Inspect the transfer piping and equipment to be used during the transfer and replace any worn or inoperable parts;

(b) For each of the vessel's cargo tanks from which cargo will be transferred, note the pressure, temperature, and volume to ensure they are safe for transfer;

(c) Review and agree with the person in charge of cargo transfer on the vessel to—

- (1) The sequence of transfer operations;
- (2) The transfer rate;
- (3) The duties, location, and watches of each person assigned for transfer operations; and

(4) Emergency procedures from the examined *Emergency Manual*;

(d) Ensure that transfer connections allow the vessel to move to the limits of its moorings without placing strain on the loading arm or transfer piping system;

(e) Ensure that each part of the transfer system is aligned to allow the flow of LNG to the desired location;

(f) Ensure that warning signs that warn that LNG is being transferred, are displayed;

(g) Eliminate all ignition sources in the marine transfer area;

(h) Ensure that personnel are on duty in accordance with the examined *Operations Manual*; and

(i) Test the following to determine that they are operable:

- (1) The sensing and alarm systems.
- (2) The emergency shutdown system.
- (3) The communication systems.

§ 127.317 Declaration of inspection.

(a) After the preliminary transfer inspection under § 127.315 has been satisfactorily completed, the person in charge of shoreside transfer operations shall ensure that no person transfers LNG until a Declaration of Inspection that meets paragraph (c) of this section is executed and signed in duplicate.

(b) The person in charge of shoreside transfer operations shall give one signed copy of the Declaration of Inspection to the person in charge of transfer operations on the vessel, and shall retain one signed copy at the facility for 30 days after completion of the transfer.

(c) Each Declaration of Inspection must contain—

(1) The name of the vessel and the facility;

(2) The date and time that transfer operations begin;

(3) A list of the requirements in § 127.315 with the initials of the person in charge of shoreside transfer operations after each requirement, indicating that the requirement is met;

(4) The signature of the person in charge of shoreside transfer operations and the date and time of signing, indicating that he or she is ready to begin transfer operations; and

(5) The signature of each relief person in charge and the date and time of each relief.

§ 127.319 LNG transfer.

During LNG transfer operations, the following must be met:

(a) The operator of the facility shall ensure that—

(1) The marine transfer area is under the supervision of a person in charge, who has no other assigned duties during the transfer operation;

(2) Personnel transferring fuel or oily waste are not involved in LNG transfer; and

(3) No vessels are moored outboard of any LNG vessel without the permission of the COTP.

(b) The person in charge of shoreside transfer operations shall—

(1) Be in continuous communication with the person in charge of transfer operations on the vessel;

(2) Ensure that an inspection of the transfer piping and equipment for leaks,

frost, defects, and other symptoms of safety and operational problems is conducted at least once every transfer;

(3) Ensure that transfer operations are discontinued—

(i) Before electrical storms or uncontrolled fires are adjacent to the marine transfer area; and

(ii) As soon as a fire is detected; and

(4) Ensure that the lighting systems are turned on between sunset and sunrise.

Note.—Vessel transfer requirements are published in 46 CFR Part 154.

§ 127.321 Release of LNG.

(a) The operator of the facility shall ensure that—

(1) No person releases LNG into the navigable waters of the United States; and

(2) If there is a release of LNG, vessels near the facility are notified of the release by the activation of the warning alarm.

(b) If there is a release of LNG, the person in charge of shoreside transfer operations shall—

(1) Immediately notify the person in charge of cargo transfer on the vessel of the intent to shutdown;

(2) Shutdown transfer operations;

(3) Notify the COTP of the release; and

(4) Not resume transfer operations until authorized by the COTP.

Subpart E—Maintenance

§ 127.401 Maintenance: General.

The operator of the facility shall ensure that the equipment required under this part is maintained in a safe condition so that it does not cause a release or ignition of LNG.

§ 127.403 Inspections.

The operator shall conduct a visual inspection for defects of each pressure-relief device not capable of being tested, at least once each calendar year, with intervals between inspections not exceeding 15 months, and make all repairs in accordance with § 127.405.

§ 127.405 Repairs.

The operator shall ensure that—

(a) Equipment repairs are made so that—

(1) The equipment continues to meet the applicable requirements in subparts B, C, G, and H of this part and in NFPA 59A; and

(2) Safety is not compromised; and

(b) Welding is done in accordance with NFPA 51B and NFPA 59A, Chapter 6, Section 6-3.4.

§ 127.407 Testing.

(a) The operator shall pressure test under paragraph (b) of this section the transfer system, including piping, hoses, and loading arms, and verify the set pressure of the safety and relief valves—

(1) After the system or the valves are altered;

(2) After the system or the valves are repaired;

(3) After any increase in the MAWP; or

(4) For those components that are not continuously kept at cryogenic temperature, at least once each calendar year, with intervals between testing not exceeding 15 months.

(b) The pressure for the transfer system test under paragraph (a) of this section must be at 1.1 times the MAWP and be held for a minimum of 30 minutes.

§ 127.409 Records.

(a) The operator shall keep on file the following information:

(1) A description of the components tested under § 127.407.

(2) The date and results of the test under § 127.407.

(3) A description of any corrective action taken after the test.

(b) The information required by this section must be retained for 24 months.

Subpart F—Personnel Training**§ 127.501 Applicability.**

The training required by this subpart must be completed before LNG is transferred.

§ 127.503 Training: General.

The operator shall ensure that each of the following is met:

(a) All full-time employees have training in the following subjects:

(1) Basic LNG firefighting procedures.

(2) LNG properties and hazards.

(b) In addition to the training under paragraph (a) of this section, each person assigned for transfer operations has training in the following subjects:

(1) The examined *Operations Manual* and examined *Emergency Manual*.

(2) Advanced LNG firefighting procedures.

(3) Security violations.

(4) LNG vessel design and cargo

transfer operations.

(5) LNG release response procedures.

(6) First aid procedures for—

(i) Frostbite;

(ii) Burns;

(iii) Cardio-pulmonary resuscitation;

and

(iv) Transporting injured personnel.

(c) The personnel who received training under paragraphs (a) and (b) of

this section receive refresher training in the same subjects at least once every five years.

Subpart G—Firefighting**Fire Equipment****§ 127.601 Fire equipment: General.**

(a) Fire equipment and systems provided in addition to the requirements in this subpart must meet the requirements of this subpart.

(b) The following must be red or some other conspicuous color and be in locations that are readily accessible:

(1) Hydrants and standpipes.

(2) Hose stations.

(3) Portable fire extinguishers.

(4) Fire monitors.

(c) Fire equipment, if applicable, must bear the approval of Underwriters Laboratories, Inc., the Factory Mutual Research Corp., or the Coast Guard.

§ 127.603 Portable fire extinguishers.

Each marine transfer area must have—

(a) Portable fire extinguishers that meet 9-6.1 of NFPA 59A and Chapter 3 of NFPA 10; and

(b) At least one portable fire extinguisher in each designated parking area.

§ 127.605 Emergency outfits.

(a) There must be an emergency outfit for each person whose duties include fighting fires, but there must be at least two emergency outfits. Each emergency outfit must include—

(1) One explosion-proof flashlight;

(2) Boots and gloves of rubber or other electrically nonconducting material;

(3) A rigid helmet that protects the head against impact;

(4) Water resistant clothing that also protects the body against fire; and

(5) U.S. Bureau of Mines approved self-contained breathing apparatus.

(b) Emergency outfits under paragraph (a) of this section must be in locations that are readily accessible and marked for easy recognition.

§ 127.607 Fire main systems.

(a) Each marine transfer area must have a fire main system that provides at least two water streams to each part of the LNG transfer piping and connections, one of which must be from a single length of hose or from a fire monitor.

(b) The fire main must have at least one isolation valve at each branch connection and at least one isolation valve downstream of each branch connection to isolate damaged sections.

(c) The fire main system must have the capacity to supply—

(1) Simultaneously all fire hydrants, standpipes, and fire monitors in the system; and

(2) At a Pitot tube pressure of 618 kilonewtons per square meter (75 p.s.i.), the two outlets having the greatest pressure drop between the source of water and the hose or monitor nozzle, when only those two outlets are open.

(d) If the source of water for the fire main system is capable of supplying a pressure greater than the system's design working pressure, the system must have at least one pressure relief device.

(e) Each fire hydrant or standpipe must have at least one length of hose of sufficient length to meet paragraph (a) of this section.

(f) Each length of hose must—

(1) Be 1½ inches or more in diameter and 30.5 meters (100 feet) or less in length;

(2) Be on a hose rack or reel;

(3) Be connected to the hydrant or standpipe at all times; and

(4) Have a Coast Guard approved combination solid stream and water spray fire hose nozzle.

§ 127.609 Dry chemical systems.

(a) Each marine transfer area must have a dry chemical system that provides at least two dry chemical discharges to the area surrounding the loading arms, one of which must be—

(1) From a monitor; and

(2) Actuated and, except for pre-aimed monitors, controlled from a location other than the monitor location.

(b) The dry chemical system must have the capacity to supply simultaneously or sequentially each hose or monitor in the system for 45 seconds.

(c) Each dry chemical hose station must have at least one length of hose that—

(1) Is on a hose rack or reel; and

(2) Has a nozzle with a valve that starts and stops the flow of dry chemical.

§ 127.611 International shore connection.

The marine transfer area must have an international shore connection meeting the requirements of 46 CFR 162.034, a 2½ inch fire hydrant, and sufficient 2½ inch hose to connect the fire hydrant to the international shore connection on the vessel.

Fire Protection**§ 127.613 Smoking.**

In the marine transfer area, the operator shall ensure that no person smokes when there is LNG present.

§ 127.615 Fires.

In the marine transfer area, the operator shall ensure that there are no fires when there is LNG present.

§ 127.617 Hotwork.

The operator shall ensure that no person conducts welding, torch cutting, or other hotwork unless that person has a permit from the COTP.

Subpart H—Security**§ 127.701 Security on existing facilities.**

The operator shall ensure that any security procedure and arrangement on existing facilities, that were in use when LNG transfer operations were last conducted, be continued and maintained, or upgraded, whenever LNG transfer operations are conducted.

§ 127.703 Access to the marine transfer area.

The operator shall ensure that—

(a) Access to the marine transfer area from the shoreline and the waterside is limited to—

(1) Personnel who work at the facility including persons assigned for transfer operations, vessel personnel, and delivery and service personnel in the course of their business;

(2) Coast Guard personnel; and

(3) Other persons authorized by the operator; and

(b) No person is allowed into the marine transfer area unless that person is identified by a facility-issued identification card or other identification card displaying his or her photograph, or is an escorted visitor displaying an identifying badge.

§ 127.705 Security systems.

The operator shall ensure that security patrols of the marine transfer area are conducted once every hour, or that a manned television monitoring system is used, to detect—

(a) Unauthorized personnel;

(b) Fires; and

(c) LNG releases.

§ 127.707 Security personnel.

The operator shall ensure that no person is assigned security patrol duty unless that person has been instructed on security violation procedures.

§ 127.709 Protective enclosures.

The following must be within a fence or wall that prevents trespassing:

(a) Impounding spaces.

(b) Control rooms and stations.

(c) Electrical power sources.

§ 127.711 Communications.

The marine transfer area must have a means of direct communications

between the security patrol and other operating or security personnel on duty on the facility.

Dated: September 3, 1987.

J.W. Kime,

Rear Admiral, U.S. Coast Guard Chief, Office of Marine Safety, Security and Environmental Protection.

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ENVIRONMENTAL PROTECTION AGENCY**40 CFR Part 799**

[OPTS-42084C; FRL-3325-1]

Commercial Hexane and Methycyclopentane; Test Rules

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: Pursuant to section 4(a) of the Toxic Substances Control Act (TSCA), EPA is issuing a final test rule requiring manufacturers and processors of commercial hexane to perform testing for subchronic toxicity, oncogenicity, reproductive toxicity, developmental toxicity, mutagenicity, neurotoxicity, and inhalation and dermal pharmacokinetics and is terminating rulemaking under TSCA section 4(a) for subchronic toxicity, neurotoxicity, and inhalation and dermal pharmacokinetics testing of methylcyclopentane (MCP; CAS No. 96-37-7). Both actions follow EPA's proposed rule of May 15, 1986.

DATES: In accordance with 40 CFR 23.5, this rule shall be promulgated for purposes of judicial review at 1 p.m. eastern ("daylight" or "standard" as appropriate) time on February 19, 1988. This rule shall become effective on March 21, 1988. The incorporation by reference in the rule is approved by the Director of the Federal Register as of March 21, 1988.

FOR FURTHER INFORMATION CONTACT: Edward A. Klein, Director, TSCA Assistance Office (TS-799), Office of Toxic Substances, Rm. E-543, 401 M St., SW., Washington, DC 20460 (202-554-1404).

SUPPLEMENTARY INFORMATION: EPA is issuing a final test rule under section 4(a) of TSCA to require health effects testing of commercial hexane. This test rule is being promulgated under 40 CFR 799.2155. EPA also is terminating rulemaking under section 4(a) of TSCA for MCP because EPA believes testing of MCP is not necessary at this time.

I. Introduction**A. Test Rule Development Under TSCA**

This document is part of the overall implementation of section 4 of TSCA (Pub. L. 94-469, 90 Stat. 2003 *et seq.*; 15 U.S.C. 2601 *et seq.*), which contains authority for EPA to require development of data relevant to assessing the risks to health and the environment posed by exposure to particular chemical substances or mixtures.

Under section 4(a) of TSCA, EPA must require testing of a chemical substance or mixture to develop appropriate health or environmental data if the Administrator makes certain findings as described in TSCA under section 4(a)(1) (A) or (B). Detailed discussions of the statutory section 4 findings are provided in the Agency's first and second proposed test rules which were published in the *Federal Register* of July 18, 1980 (45 FR 48524) and June 5, 1981 (46 FR 30300).

B. Regulatory History

As published in the *Federal Register* of May 21, 1985 (50 FR 20930), the Interagency Testing Committee (ITC) designated MCP for priority consideration for health effects testing, including neurotoxicity, cardiotoxicity, oncogenicity, genotoxicity, teratogenicity, and reproductive effects. The Agency responded to the ITC's recommendations for MCP by publishing in the *Federal Register* of May 15, 1986 (51 FR 17854) a proposed rule for neurotoxicity (schedule-controlled operant behavior, neuropathology, functional observation battery, motor activity, and developmental neurotoxicity screen), subchronic toxicity, and inhalation and dermal pharmacokinetics (absorption, distribution, metabolism, and excretion) testing of MCP. The Agency also proposed acute and subchronic toxicity, oncogenicity, reproductive toxicity, developmental toxicity, mutagenicity, neurotoxicity (schedule-controlled operant behavior, neuropathology, functional observation battery, and motor activity), and inhalation and dermal pharmacokinetics (absorption, distribution, metabolism, and excretion) testing for commercial hexane. The proposal contained information on chemical profiles, production, uses, human exposure, and health effects of MCP and commercial hexane; discussed ongoing testing of *n*-hexane and its metabolites; discussed EPA's TSCA section 4(a) findings; described the proposed tests, the test standards, and the test substances to be used; specified