

Federal Energy Regulatory Commission an application requesting that the Commission order the Tennessee Valley Authority to provide transmission services pursuant to § 211 of the Federal Power Act.

AES Power, Inc. requests a standing transmission arrangement to begin as soon as possible, for as available, point(s)-to-point(s) non-firm transmission service to be called upon by AES Power, Inc. from time to time and on terms and conditions comparable to those TVA provides for itself and other parties in similar circumstances. As the need for specific transactions arises, they will be scheduled, provided and paid for in accordance with TVA's current scheduling procedures, to or from any point of interconnection between TVA and its neighboring electric utilities. AES anticipates requesting transmission capacity in the range of 100-500 MW. However, any amount of transmission capacity up to the amount available on TVA's system at the time a specific request is scheduled may be requested. Service would be for an initial term of five years, with automatic renewal for additional one year terms unless terminated by either party thirty days prior to the end of the then current term.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before August 5, 1994. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 94-18435 Filed 7-27-94; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP94-326-000]

Algonquin Gas Transmission Company; Proposed Changes in FERC Gas Tariff

July 22, 1994.

Take notice that on July 20, 1994, Algonquin Gas Transmission Company (Algonquin) tendered for filing as part of

its FERC Gas Tariff, Fourth Revised volume No. 1, the following revised tariff sheets:

Thirteenth Revised Sheet No. 20A
Original Sheet No. 95D

The proposed effective date of the tariff sheets is August 1, 1994.

Algonquin states that the purpose of this filing is to flowthrough a refund from Texas Eastern Transmission Corporation's Account Nos. 191 and 186, as filed in Texas Eastern's Docket No. RP94-263-000. Algonquin requests that the Commission waive Section 154.22 of the Commission's regulations to the extent that may be necessary to place these tariff sheets into effect as requested.

Algonquin states that copies of this filing were mailed to all customers of Algonquin and interested state commissions.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with 18 CFR Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests should be filed on or before July 29, 1994. Protests will be considered by the Commission in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 94-18431 Filed 7-27-94; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP94-272-001]

NorAm Gas Transmission Company; Compliance Filing

July 22, 1994.

Take notice that on July 18, 1994, NorAm Gas Transmission Company (NGT) tendered for filing as part of its FERC Gas Tariff, Third Revised Volume No. 1, the following tariff sheets and supporting workpapers:

Effective April 1, 1994

2nd Sub First Revised Sheet No. 4.3

Effective July 1, 1994

Sub Second Revised Sheet No. 4.3

NGT states that the tariff sheets are being filed in compliance with the

Commission's letter order dated June 28, 1994.

NGT states that copies of the filing have been mailed to all of NGT's customers and interested state commissions.

Any person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, DC 20426, in accordance with Rule 211 of the Commission's Rules of Practice and Procedure 18 CFR 385.211. All such protests should be filed on or before July 29, 1994. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 94-18433 Filed 7-27-94; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP94-105-004]

Ozark Gas Transmission System; Compliance Filing

July 22, 1994.

Take notice that on July 18, 1994, Ozark Gas Transmission System (Ozark) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1, Substitute Seventh Revised Sheet No. 4.

Ozark states that the tariff sheet is being filed in compliance with the Commission's July 7, 1994, order in the above-referenced proceeding.

Any person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with Rule 211 of the Commission's Rules of Practice and Procedure 18 CFR 385.211. All such protests should be filed on or before July 29, 1994. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 94-18434 Filed 7-27-94; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP94-325-000]

Panhandle Eastern Pipe Line Company; Proposed Changes in FERC Gas Tariff

July 22, 1994.

Take notice that on July 20, 1994, Panhandle Eastern Pipe Line Company (Panhandle) tendered for filing Ninth Revised Tariff Sheet Nos. 4, 5, 6, 7 and 8 which are proposed to become effective August 1, 1994.

Panhandle states that its filing implements, in accordance with Section 18.7 of the General Terms and Conditions of First Revised Volume No. 1 of Panhandle's FERC Gas Tariff, the recovery of certain of its Gas Supply Realignment (GSR) Costs by means of GSR Reservation Surcharges applicable to service under Rate Schedules FT, EFT and SCT and the comparable component applicable to interruptible rates under Rate Schedules IT and EIT.

Panhandle states that the costs included for recovery herein are costs which resulted from Panhandle having to terminate and assign its existing gas supply contracts in connection with implementing Order No. 636, et seq., which, among other things, required Panhandle to restructure its services and operations to provide its sales customers the choice of reducing and terminating their obligations under their existing sales contract.

Panhandle states that the costs encompassed by its filing, which total \$14,368,766, consist of actual payments made by Panhandle for terminations and assignments of its gas supply contracts, all of which became stranded upon the termination of Panhandle's merchant function in conjunction with customer elections under 18 CFR 284.14(d). Also included are certain Account No. 165 costs incurred for what would have been recappable take-or-pay had Panhandle continued its merchant function and the unrecovered balance of a take-or-pay buyout and buydown agreement which had been subject to a three year amortization. These latter gas supply transition costs also became stranded upon the termination of Panhandle's merchant function.

Panhandle states that the amounts included for recovery as GSR Reservation Surcharges under Rate Schedules FT, EFT and SCT and the amounts included for recovery under Rate Schedules IT and EIT have been calculated using the methods set forth in Section 18.7 of the General Terms and Conditions of its Tariff and are consistent with the Commission's orders and pronouncements regarding the recovery of GSR Costs. Carrying charges

have been calculated in accordance with Section 154.67(c) of the Commission's Regulations and Section 18.7 of Panhandle's Tariff.

Panhandle states that a copy of this filing has been served on all customers affected by this filing and the respective state commissions.

Any person desiring to be heard or to protest the filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests should be filed on or before July 29, 1994. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 94-18432 Filed 7-27-94; 8:45 am]

BILLING CODE 6777-01-M

[Docket No. RP85-177-122]

Texas Eastern Transmission Corporation; Proposed Changes in FERC Gas Tariff

July 22, 1994.

Take notice that on July 20, 1994, Texas Eastern Transmission Corporation (Texas Eastern) tendered for filing as part of its FERC Gas Tariff, Sixth Revised Volume No. 1 and Original Volume No. 2, the revised tariff sheets listed on Appendix A to the filing.

Texas Eastern states that the revised tariff sheets are filed in compliance with the Stipulation and Agreement ("Settlement") in Docket No. RP85-177-119, et al., filed by Texas Eastern on January 31, 1994, the Order Approving Settlement issued by the Commission on May 12, 1994 ("May 12 Order"), and the "Order on Rehearing and Clarification" issued by the Commission on July 13, 1994, ("July 13 Order"). Texas Eastern states that under the Settlement, Texas Eastern is entitled to collect 100% of Spot Costs, as defined in Section 5.01 of the Settlement, related to the Appendix C South Pass 89 contracts, 100% of Non-Spot Costs, as defined in Section 5.01 related to the Appendix C contracts in excess of \$6 million, but not in excess of \$336 million and 80% of such Non-

Spot Costs in excess of \$336 million, but not in excess of \$496 million.

Texas Eastern states that the Commission approved the Settlement without modification in the May 12 Order. The July 13 Order granted requests for clarification and denied requests for rehearing of the May 12 Order. Texas Eastern states that pursuant to Article IX of the Settlement, the "Effective Date" of the Settlement is August 1, 1994, and the revised tariff sheets listed on Appendix A are filed in order to effectuate the Settlement on August 1, 1994.

Texas Eastern states that in compliance with the July 13 Order, Texas Eastern is filing (1) First Revised Sheet No. 637 to include a provision in the tariff to indicate that the Settlement is a part of its published rates, terms, and conditions and (2) examples of the calculations underlying the rate restatements that will be used to recover Account No. 858 Costs.

Texas Eastern states that this filing is made in compliance with the May 12 and July 13 Orders and in accordance with such Orders and Articles IV, V and IX of the Settlement will go into effect August 1, 1994, not subject to refund.

Texas Eastern states that copies of its filing have been served on all firm customs of Texas Eastern and applicable state regulatory agencies, as well as all parties in Docket Nos. RP85-177-121, et al., and all current interruptible shippers.

All person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such motions or protests should be filed on or before July 29, 1994. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on a file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 94-18430 Filed 7-27-94; 8:45 am]

BILLING CODE 6777-01-M

[Docket No. RP93-109-000]

Williams Natural Gas Co.; Informal Settlement Conference

July 22, 1994.

Take notice that an informal settlement conference will be convened

in this proceeding on July 26, 1994, at 10:00 a.m. at the offices of the Federal Energy Regulatory Commission, 810 First Street, N.E., Washington, DC, for the purpose of exploring the possible settlement of the above-referenced docket.

Any party, as defined by 18 CFR 385.102(c), or any participant as defined by 18 CFR 385.102(b), is invited to attend. Persons wishing to become a party must move to intervene and receive intervenor status pursuant to the Commission's regulations (18 CFR 385.214).

For additional information, please contact James A. Pederson at (202) 208-5705 or Sandra Delude at (202) 208-0583.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 94-18427 Filed 7-27-94; 8:45 am]

BILLING CODE 6717-01-M

ENVIRONMENTAL PROTECTION AGENCY

[FRL 5021-8]

Agency Information Collection Activities Under OMB Review

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), this notice announces that the Information Collection Request (ICR) abstracted below has been forwarded to the Office of Management and Budget (OMB) for review and comment. The ICR describes the nature of the information collection and its expected cost and burden; where appropriate, it includes the actual data collection instrument.

DATES: Comments must be submitted on or before August 29, 1994.

FOR FURTHER INFORMATION CONTACT: For further information, or a copy of this ICR, contact Sandy Farmer at (202) 260-2740.

SUPPLEMENTARY INFORMATION:

Office of Air and Radiation

Title: Radon Measurement Protocol Evaluation Study (EPA ICR #1703.01). This ICR requests approval of a new collection.

Abstract: A statistically valid sample of homeowners who participated in the National Residential Radon Survey will be selected to participate in a follow-up study to measure year-long household exposure to radon. The EPA will use the results to validate the mathematical

model used in preparing public information documents on radon such as the Citizen's Guide to Radon and the Home Buyer's and Seller's Guide to Radon. In addition, the results will be available in the Agency's national radon database and will be used in articles for publication in scientific journals.

Homeowners will place radon detectors in specified locations in their homes, replace them quarterly for a year, and prepare a log of placement/replacement dates and times. EPA labs and contractors will analyze the detectors and provide homeowners with the results.

Burden Statement: Public reporting burden for this collection of information is estimated to average 5 hours per response, including time for reviewing instructions, gathering the data needed, and completing the collection of information. There is no public recordkeeping burden for this collection of information.

Respondents: Homeowners.

Estimated Number of Respondents: 1200.

Estimated Total Annual Burden on Respondents: 6350 hours.

Frequency of Collection: quarterly.

Send comments regarding the burden estimate, or any other aspect of this information collection, including suggestions for reducing the burden, to: Sandy Farmer, U.S. Environmental Protection Agency, Information Policy Branch (2136), 401 M Street, SW, Washington, DC 20460.

Chris Wolz, Office of Management and Budget, Office of Information and Regulatory Affairs, 725 17th Street, NW, Washington, DC 20503.

Dated July 14, 1994.

Paul Lapsley,

Director, Regulatory Management Division.

[FR Doc. 94-18336 Filed 7-27-94; 8:45 am]

BILLING CODE 6560-50-M

[AMS-FRL-5022-3]

Regulation of Fuels and Fuel Additives: Standards for Reformulated Gasoline

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of Application for Extension of the Reformulated Gasoline Program to the Kentucky portions of the Louisville and the Cincinnati-Hamilton ozone non-attainment areas.

SUMMARY: This notice publishes the application by the Governor of the state of Kentucky to have the prohibition set forth in section 211(k)(5) of the Clean Air Act, as amended, (the Act) applied

to the Kentucky portions of the Louisville and Cincinnati-Hamilton ozone non-attainment areas. Under section 211(k)(6) the Administrator of EPA shall apply the prohibition against the sale of gasoline which has not been reformulated to be less polluting in an ozone nonattainment area upon the application of the governor of the state in which the nonattainment area is located.

DATES: The effective date of the prohibition described herein is January 1, 1995 (see the **SUPPLEMENTARY INFORMATION** section of this notice for a discussion of the possible delay of this date).

ADDRESSES: Materials relevant to this Notice are contained in Public Docket Nos. A-91-02 and A-92-12. This docket is located in Room M-1500, Waterside Mall (ground floor), U.S. Environmental Protection Agency, 401 M Street S.W., Washington, D.C. 20460. The docket may be inspected from 8:30 a.m. until 12:00 noon and from 1:30 p.m. until 3:00 p.m. Monday through Friday. A reasonable fee may be charged by EPA for copying docket materials.

FOR FURTHER INFORMATION CONTACT: Joann Jackson Stephens, U.S. EPA (RDSD-12), National Vehicle and Fuel Emissions Laboratory, 2565 Plymouth Road, Ann Arbor, MI 48105, Telephone: (313) 668-4276.

SUPPLEMENTARY INFORMATION:

I. Background

As part of the Clean Air Act Amendments of 1990, Congress added a new subsection (k) to section 211 of the Clean Air Act. Subsection (k) prohibits the sale of gasoline that EPA has not certified as reformulated in the nine worst ozone nonattainment areas beginning January 1, 1995. To be certified as reformulated a gasoline must comply with the following formula requirements: oxygen content of at least 2.0 percent by weight; benzene content of no more than 1.0 percent by volume; and no heavy metals (with a possible waiver for metals other than lead). The gasoline must also achieve toxic and volatile organic compound emissions reductions equal to or exceeding the more stringent of a specified formula fuel or a performance standard.

Section 211(k)(10)(D) defines the areas covered by the reformulated gasoline program as the nine ozone nonattainment areas having a 1980 population in excess of 250,000 and having the highest ozone design values during the period 1987 through 1989. Applying those criteria, EPA has determined the nine covered areas to be the metropolitan areas including Los

Angeles, Houston, New York City, Baltimore, Chicago, San Diego, Philadelphia, Hartford and Milwaukee. Under section 211(k)(10)(D), any area reclassified as a severe ozone nonattainment area under section 181(b) is also to be included in the reformulated gasoline program.

Any other ozone nonattainment area may be included in the program at the request of the governor of the state in which the area is located. Section 211(k)(6)(A) provides that upon the application of a Governor, EPA shall apply the prohibition against selling conventional gasoline (gasoline EPA has not certified as reformulated) in any area requested by the Governor which has been classified under subpart 2 of part D of title I of the Act as a Marginal, Moderate, Serious or Severe ozone nonattainment area.¹ Subparagraph 211(k)(6)(A) further provides that EPA is to apply the prohibition as of the date the Administrator "deems appropriate, not later than January 1, 1995, or 1 year after such application is received, whichever is later." In some cases the effective date may be extended for such an area as provided in section 211(k)(6)(B) based on a determination by EPA that there is "insufficient domestic capacity to produce" reformulated gasoline. Finally, EPA is to publish a governor's application in the **Federal Register**. To date, EPA has received and published applications from the Mayor of the District of Columbia and the Governors of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, and Texas. Although Vermont has requested to opt-in to the program, states without ozone nonattainment areas, such as Vermont, can not do so.

EPA published final regulations for the reformulated gasoline program on February 16, 1994 (59 FR 7716).

II. The Governor's Request

EPA received an application from the Hon. Brereton C. Jones, Governor of the State of Kentucky, for the Kentucky portions of the Louisville and the Cincinnati-Hamilton ozone nonattainment areas to be included in the reformulated gasoline program. His application is set out in full below.

[State of Kentucky letterhead]

September 19, 1993.

Ms. Carol Browner, Administrator,
U.S. Environmental Protection Agency, 401
M Street, SW., Washington, DC 20460

Dear Ms. Browner: In accordance with Section 211(k), (6)(A) of the Federal Clean Air Act, I request that, beginning January 1, 1995, the prohibition applying to the sale of conventional gasoline be extended to the Kentucky portion of the Louisville ozone nonattainment area and the Kentucky portion of the Cincinnati-Hamilton ozone nonattainment area. The Kentucky portion of the Louisville nonattainment area consists of Jefferson County and a portion of Bullitt and Oldham Counties. The Kentucky portion of the Cincinnati ozone nonattainment area consists of Boone, Campbell and Kenton Counties.

The Kentucky Natural Resources and Environmental Protection Cabinet recommended that I apply to you to require the use of reformulated gasoline in these counties in order to help achieve the reduction of volatile organic compounds mandated in Section 182(b)(1) of the Clean Air Act. The revision to Kentucky's State Implementation Plan for achieving a 15% reduction of volatile organic compounds due by November 15, 1993 will include emission reductions gained by the use of reformulated gasoline.

Sincerely,
Brereton C. Jones.

III. Action

Pursuant to the governor's letter and the provisions of section 211(k)(6), the prohibitions of subsection 211(k)(5) will be applied to the Kentucky portions of the Louisville and Cincinnati-Hamilton ozone nonattainment areas beginning January 1, 1995 (unless delayed, as provided above). The Kentucky portion of the Louisville nonattainment area consists of Jefferson County and a portion of Bullitt and Oldham Counties. The Kentucky portion of the Cincinnati ozone nonattainment area consists of Boone, Campbell and Kenton Counties. These ozone nonattainment areas are classified as moderate.²

Based on the governor's application, EPA's final rule for reformulated gasoline included these areas as covered area (40 CFR 80.70(j)).³

The application of the prohibitions to the Kentucky portions of the Louisville and Cincinnati-Hamilton areas cannot take effect any earlier than January 1, 1995 under section 211(k)(5) and cannot take effect any later than January 1, 1995, under section 211(k)(6)(A), unless the Administrator extends the effective date by rule under section 211(k)(6)(B).

Dated: July 15, 1994.

Carol M. Browner,
Administrator.

[FR Doc. 94-18388 Filed 7-27-94; 8:45 am]

BILLING CODE 6560-50-P

[FRL-5021-1]

Acid Rain Program: Notice of Final Permits

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of permits.

SUMMARY: The U.S. Environmental Protection Agency (EPA) is issuing, as a direct final action, 5-year Phase I Acid Rain Permits to 13 utility plants in accordance with the Acid Rain Program regulations (40 CFR part 72).

DATES: The permits will become final on September 6, 1994, except those permits on which EPA receives significant adverse comment by August 29, 1994. If EPA receives significant adverse comment on a permit, EPA will withdraw the direct final issuance of that permit and simultaneously repropose the permit. Such reproposal will provide an opportunity for public comment and requests for a public hearing.

ADDRESSES: Administrative Records. The administrative record for the permits, except information protected as confidential, may be viewed during normal operating hours at these locations:

For plants in New York: EPA Region 2, Jacob K. Javits Federal Bldg., 26 Federal Plaza, Room 505, New York, NY 10278.

For plants in Florida and Kentucky: EPA Region 4, 345 Courtland St., NE., Atlanta, GA 30365.

For plants in Missouri: EPA Region 7, 726 Minnesota Ave., Kansas City, KS 66101.

Comments. Send comments to the following addresses:

For plants in New York: EPA Region 2, Air and Waste Management Division, Attn: Steven C. Riva (address above)

For plants in Florida and Kentucky: EPA Region 4, Air, Pesticides, and Toxics Management Division, Attn: Winston Smith, Director (address above).

For plants in Missouri: EPA Region 7, Air and Toxics Division, Attn: Jon Knodel (address above).

Submit comments in duplicate and identify the permit to which the comments apply, the commenter's name, address, and telephone number, and the commenter's interest in the matter and affiliation, if any, to the owners and operators of all units in the permit. In the comment, include objections to the permit and the legal, factual, or other basis for the objections. This information will be used by EPA to determine if the comment is a significant adverse comment.

¹ EPA promulgated such designations pursuant to section 107(d)(4) of the Act (56 FR 56694; November 6, 1991).

² See 56 FR 56764, 54765 (November 6, 1991).

³ 59 FR 7852 (February 16, 1994).

FOR FURTHER INFORMATION CONTACT:

Contact the following persons for more information about a permit listed in this notice:

For plants in New York, Gerry DeGaetano, (212) 264-6685, EPA Region 2.

For plants in Florida and Kentucky, Scott Davis, (404) 347-5014, EPA Region 4 (address above).

For plants in Missouri, Jon Knodel, (913) 551-7622, EPA Region 7.

SUPPLEMENTARY INFORMATION: Title IV of the Clean Air Act directs EPA to establish a program to reduce the adverse effects of acidic deposition by promulgating rules and issuing permits to emission sources subject to the program. On January 11, 1993, EPA promulgated final rules implementing the program. Subsequently, several parties filed petitions for review of the rules with the U.S. Court of Appeals for the District of Columbia Circuit. On November 18, 1993, EPA published a notice of proposed revisions to rules regarding Phase I substitution and reduced utilization plans [sections 404 (b) and (c) and 408(c)(1)(B) of the Act]. On May 4, 1994, EPA and other parties signed a settlement agreement addressing the substitution and reduced utilization issues.

In today's action, EPA is issuing permits that are consistent with the May 4, 1994 settlement. Except as noted below, EPA approves for 1995-1999 all compliance options for which EPA deferred action for 1996-1999 in the draft permits. In addition, except as noted below, the numbers of substitution and compensating unit allowances allocated to each unit for 1995-1999 are identical to the numbers of allowances allocated to each unit for 1995 in the draft permits. The additional allowances discussed below are a one-time only allocation pursuant to the settlement. Upon activation of conditionally-approved plans, substitution or compensating unit allowances are allocated for the remaining years the plan is in effect. EPA issues the following permits:

Northport in New York.

Port Jefferson in New York.

Big Bend in Florida.

F J Gannon in Florida: No change for unit GB01; 4,581 substitution allowances for each year and 9 additional allowances to unit GB02 upon activation of substitution plan; 7,003 substitution allowances for each year and 437 additional allowances to unit GB03 upon activation of substitution plan; 7,570 substitution allowances for each year and 450 additional allowances to unit GB04

upon activation of substitution plan; 10,295 substitution allowances for each year and 520 additional allowances to unit GB05 upon activation of substitution plan; 16,107 substitution allowances for each year and 377 additional allowances to unit GB06 upon activation of substitution plan.

Hookers Point in Florida: 0 substitution allowances for each year and 27 additional allowances to unit HB01 upon activation of substitution plan; 31 substitution allowances for each year and 3 additional allowances to unit HB02 upon activation of substitution plan; 92 substitution allowances for each year and 9 additional allowances to unit HB03 upon activation of substitution plan; 145 substitution allowances for each year and 15 additional allowances to unit HB04 upon activation of substitution plan; 124 substitution allowances for each year and 13 additional allowances to unit HB05 upon activation of substitution plan; 207 substitution allowances for each year and 13 additional allowances to unit HB06 upon activation of substitution plan.

Big Sandy in Kentucky.

Coleman in Kentucky.

Cooper in Kentucky.

Dale in Kentucky: 2,115 substitution allowances for each year and 226 additional allowances to unit 3 upon activation of substitution plan, and 226 additional allowances if the unit becomes affected for NO_x; 1,729 substitution allowances for each year and 166 additional allowances to unit 4 upon activation of substitution plan, and 166 additional allowances if the unit becomes affected for NO_x.

East Bend in Kentucky.

H L Spurlock in Kentucky: 14,206 substitution allowances for each year and 1,593 additional allowances to unit 2 upon activation of substitution plan, and 1,593 additional allowances if the unit becomes affected for NO_x.

RD Green in Kentucky: No change for unit G1; 5,827 substitution allowances for each year and 492 additional allowances to unit G2.

Sibley in Missouri: 2,782 substitution allowances for each year and 28 additional allowances to unit 1; 3,332 substitution allowances for each year and 130 additional allowances to unit 2.

Dated: July 14, 1994.

Brian J. McLean,

Director, Acid Rain Division, Office of Atmospheric Programs, Office of Air and Radiation.

[FR Doc. 94-18323 Filed 7-27-94; 8:45 am]

BILLING CODE 6560-50-P

[FRL-5021-5]

Restatement of Policies Related to Environmental Auditing

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The EPA Environmental Auditing Policy Statement ("1986 Policy") was originally published in the *Federal Register* on July 9, 1986 (51 FR 25004). The 1986 Policy states that "(c)larification of EPA's position regarding auditing may help encourage regulated entities to establish audit programs or upgrade systems already in place." The goal of this notice is to clarify EPA's current policies on and approach to auditing. This notice summarizes salient points from the 1986 Policy, which remains in effect. In addition, this notice updates the Agency's activities with respect to auditing and auditing policy and references pertinent language from other relevant policy documents, in anticipation of the public meeting on auditing scheduled for July 27-28, 1994. This notice does not represent a new EPA policy or position on environmental auditing; all existing policies remain in effect.

I. Auditing Public Meeting: Change of Location

The response to EPA's announcement (59 FR 31914, June 20, 1994) to hold a public meeting on auditing on July 27-28, 1994 has been overwhelming. Due to the expected size of the audience, therefore, the Agency has changed the location of this event. The new location is the Stouffer Mayflower Hotel in Washington, DC, at 1127 Connecticut Avenue, NW, Phone (202) 347-3000.

II. The Auditing Policy Reassessment

In response to a request by Administrator Carol M. Browner, the Office of Enforcement and Compliance Assurance (OECA) is reassessing the Agency's current policy regarding environmental auditing and self-evaluation by the regulated community. EPA has committed to investigating the perceived problems relating to auditing, self-evaluation, and disclosure through an empirical, information-gathering effort. The Agency must develop an adequate information base to give serious consideration to any policy options and to ensure that any decision to either reinforce, change, or supplement existing policy is informed by fact.

EPA hopes to collect such relevant data through the implementation of four actions this summer. First, the Agency

will convene a public meeting on July 27-28, 1994, as an opportunity to obtain a wide variety of views and to sharpen the focus on these issues. The range of issues appropriate for discussion at the public meeting include: the implementation of the 1986 Policy; specific suggestions for auditing policy options; State audit privilege legislation; auditing in the context of criminal enforcement; and advances in the field of auditing since 1986. Interested parties are encouraged to read the **Federal Register** notice dated June 20, 1994 (59 FR 31914) for more details on the public meeting.

Second, EPA published in the June 21, 1994 **Federal Register** (59 FR 32062) a notice requesting proposals for Environmental Leadership Program (ELP) pilot projects. EPA expects that these pilot projects will generate useful data on auditing methodology and measures, and may also serve as vehicles for experimenting with policy-driven incentives.

Third, EPA will encourage the private sector to collect data and survey auditing practices in order to gauge the effect of enforcement policies on self-evaluation and disclosure in the regulated community. The Agency will also seek input on auditing and related issues from States, environmental and public interest groups, and trade and professional associations.

Finally, in this **Federal Register** notice, EPA is restating salient points from the 1986 Policy and reviewing its activities and other policies relating to environmental auditing. The goal of this notice is to clarify EPA's current policies on and approach to auditing, in order to ensure a well-informed policy debate.

III. Review of General EPA Policy on Environmental Auditing

A. EPA Encourages the Use of Environmental Auditing

EPA has actively encouraged and participated in the development of environmental auditing and improved environmental management practices since the mid-1980s. In fact, the 1986 Policy has served as the basis for defining the practice and profession of environmental auditing. The 1986 Policy clearly states EPA support for auditing:

Effective environmental auditing can lead to higher levels of overall compliance and reduced risk to human health and the environment. EPA endorses the practice of environmental auditing and supports its accelerated use by regulated entities to help meet the goals of Federal, state and local environmental requirements.

Auditing serves as a quality assurance check to help improve the effectiveness of basic environmental management by verifying that management practices are in place, functioning and adequate. Environmental audits evaluate, and are not a substitute for, direct compliance activities such as obtaining permits, installing controls, monitoring compliance, reporting violations, and keeping records. Environmental auditing may verify but does not include activities required by law, regulation, or permit (e.g., continuous emissions monitoring, composite correction plans at wastewater treatment plants, etc.). Audits do not in any way replace regulatory agency inspections. However, environmental audits can improve compliance by complementing conventional Federal, state and local oversight.

Environmental auditing has developed for sound business reasons, particularly as a means of helping regulated entities manage pollution control affirmatively over time instead of reacting to crises. Auditing can result in improved facility environmental performance, help communicate effective solutions to common environmental problems, focus facility managers' attention on current and upcoming regulatory requirements, and generate protocols and checklists which help facilities better manage themselves. Auditing also can result in better-integrated management of environmental hazards, since auditors frequently identify environmental liabilities which go beyond regulatory compliance.

The Agency clearly supports auditing to help ensure the adequacy of internal systems to achieve, maintain, and monitor compliance. By voluntarily implementing environmental management and auditing programs, regulated entities can identify, resolve, and avoid environmental problems.

EPA does not intend to dictate or interfere with the environmental management practices of private or public organizations. Nor does EPA intend to mandate auditing (though in certain instances EPA may seek to include provisions for environmental auditing as part of settlement agreements, as noted below). Because environmental auditing systems have been widely adopted on a voluntary basis in the past, and because audit quality depends to a large degree upon genuine management commitment to the program and its objectives, auditing should remain a voluntary activity.

Because senior managers of regulated entities are ultimately responsible for taking all necessary steps to ensure compliance with environmental requirements, EPA believes they have a strong incentive to use reasonable means, such as environmental auditing, to secure reliable information about facility compliance status.

B. Definition of Environmental Auditing, Elements of Effective Environmental Auditing Programs

The 1986 Policy also defines environmental auditing, and outlines what EPA considers to be the elements of an effective environmental auditing program. The 1986 Policy presents the following definition:

Environmental auditing is a systematic, documented, periodic and objective review by regulated entities of facility operations and practices related to meeting environmental requirements. Audits can be designed to accomplish any or all of the following: verify compliance with environmental requirements; evaluate the effectiveness of environmental management systems already in place; or assess risks from regulated and unregulated materials and practices.

An organization's auditing program will evolve according to its unique structures and circumstances. The 1986 Policy acknowledges this fact, and also states EPA's belief that effective environmental auditing programs appear to have certain discernible elements in common with other kinds of audit programs. EPA generally considers these elements important to ensure program effectiveness. This general description of effective, mature audit programs can help those starting audit programs, especially Federal agencies and smaller businesses. Regulatory agencies may also use these elements in negotiating environmental auditing provisions for consent decrees. Finally, these elements can help guide states and localities considering auditing initiatives.

As stated in the 1986 Policy, an effective environmental auditing system will likely include the following general elements:

1. *Explicit top management support for environmental auditing and commitment to follow-up on audit findings.* Management support may be demonstrated by a written policy articulating upper management support for the auditing program, and for compliance with all pertinent requirements, including corporate policies and permit requirements as well as Federal, state and local statutes and regulations.

Management support for the auditing program also should be demonstrated by an explicit written commitment to follow-up on audit findings to correct identified problems and prevent their recurrence.

2. *An environmental auditing function independent of audited activities.* The status or organizational locus of environmental auditors should be sufficient to ensure objective and unobstructed inquiry, observation and testing. Auditor objectivity should not be impaired by personal relationships, financial or other conflicts of interest, interference with free inquiry or judgment, or fear of potential retribution.

III. Adequate team staffing and auditor training. Environmental auditors should possess or have ready access to the knowledge, skills, and disciplines needed to accomplish audit objectives. Each individual auditor should comply with the company's professional standards of conduct. Auditors, whether full-time or part-time, should maintain their technical and analytical competence through continuing education and training.

IV. Explicit audit program objectives, scope, resources and frequency. At a minimum, audit objectives should include assessing compliance with applicable environmental laws and evaluating the adequacy of internal compliance policies, procedures, and personnel training programs to ensure continued compliance.

Audits should be based on a process which provides auditors: all corporate policies, permits, and Federal, state, and local regulations pertinent to the facility; and checklists or protocols addressing specific features that should be evaluated by auditors.

Explicit written audit procedures generally should be used for planning audits, establishing audit scope, establishing audit scope, examining and evaluating audit findings, communicating audit results, and following-up.

V. A process that collects analyzes interprets and documents information sufficient to achieve audit objectives. Information should be collected before and during an on-site visit regarding environmental compliance (1) environmental management effectiveness (2) and other matters (3) related to audit objectives and scope. This information should be sufficient, reliable, relevant and useful to provide a sound basis for audit finds and recommendations.

a. *Sufficient* information is factual, adequate and convincing so that a prudent, informed person would be likely to reach the same conclusions as the auditor.

b. *Reliable* information is the best attainable through use of appropriate audit techniques.

c. *Relevant* information supports audit findings and recommendations and is consistent with the objectives for the audit.

d. *Useful* information helps the organization meet its goals.

The audit process should include a periodic review of the reliability and integrity of this information and the means used to identify, measure, classify and report it. Audit procedures, including the testing and sampling techniques employed, should be selected in advance, to the extent practical, and expanded or altered if circumstances warrant. The process of collecting, analyzing, interpreting and documenting information should provide reasonable assurance that audit objectivity is maintained and audit goals are met.

VI. A process that includes specific procedures to promptly prepare candid clear and appropriate written reports on audit finds corrective actions and schedules for implementation. Procedures should be in place to ensure that such information is communicated to managers, including facility and corporate management, who can

evaluate the information and ensure correction of identified problems. Procedures also should be in place for determining what internal findings are reportable to state or Federal agencies.

VII. A process that includes quality assurance procedures to assure the accuracy and thoroughness of environmental audits. Quality assurance may be accomplished through supervision, independent internal reviews, external reviews, or a combination of these approaches.

C. EPA Activities Related to Auditing Standards

EPA is currently participating in two major non-regulatory efforts to develop voluntary standards for auditing and environmental management systems. First, the International Organization of Standards (ISO), based in Geneva, Switzerland, established in 1993 a Technical Committee for Environmental Management Standards (ISO-TC-207). Subcommittee Two of TC-207 is in the process of developing environmental auditing standards. The standards fall into three groups: Auditing Principles, Auditing Procedures, and Auditor Qualifications. Second, in the U.S., the National Sanitation Foundation (NSF) in Ann Arbor, Michigan, is developing environmental auditing standards that are intended to be compatible with and augment the ISO standards. Work is proceeding rapidly within ISO and NSF, with draft standards expected by the end of the year.

The proposed NSF and ISO auditing standards are being developed within the framework of overall environmental management systems standards. Neither ISO nor NSF intends to establish specific environmental standards; instead both are seeking to provide management tools that include auditing schemes and standards. The EPA 1986 Policy has been a central reference document for both the ISO and NSF work. As these new documents develop, issues of auditor qualifications and explicit management commitment to audit follow-up will be of particular interest to EPA.

IV. Review of EPA Policy on Specific Environmental Auditing Issues

A. Agency Requests for Audit Reports

EPA's 1986 Policy clearly states that:

... EPA believes routine Agency requests for audit reports could inhibit auditing in the long run, decreasing both the quantity and quality of audits conducted. Therefore, as a matter of policy EPA will not routinely request environmental audit reports.

The 1986 policy also acknowledges regulated entities' need to self-evaluate environmental performance with some measure of privacy. However, audit

reports may not shield monitoring, compliance or other information that would otherwise be reportable and/or accessible to EPA even if there is no explicit requirement to generate that data. Thus, the 1986 Policy does not alter regulated entities' existing or future obligations to monitor, record or report information required under environmental statutes, regulations or permits, or to allow EPA access to that information. Nor does the 1986 Policy alter EPA's authority to request and receive any relevant information—including that contained in audit reports—under various environmental statutes or in other administrative or judicial proceedings.

EPA's authority to request an audit report, or relevant portions thereof, will be exercised on a case-by-case basis where the Agency determines it is needed to accomplish a statutory mission, or where the Government deems it to be material to a criminal investigation. EPA expects such requests to be limited, most likely focused on particular information needs rather than the entire report, and usually made where the information needed cannot be obtained from monitoring, reporting, or other data otherwise available to the Agency. Examples would likely include situations where: audits are conducted under consent decrees or other settlement agreements; a company has placed its management practices at issue by raising them as a defense; or state of mind or intent are a relevant element of inquiry, such as during a criminal investigation. This list is illustrative rather than exhaustive, since there doubtless will be other situations, not subject to prediction, in which audit reports rather than information may be required.

B. EPA Response to Environmental Auditing

1. General Policy

The 1986 Policy states that "EPA will not promise to forgo inspections, reduce enforcement responses, or offer other such incentives in exchange for implementation of environmental auditing or other sound environmental management practices." EPA is required by law to independently assess compliance status of facilities, and cannot eliminate inspections for particular firms or classes of firms. Certain statutes (e.g. RCRA) and Agency policies establish minimum facility inspection frequencies to which EPA will adhere. Environmental audits are in no way a substitute for regulatory oversight.

As explained in the 1986 Policy, however, EPA will take into account a facility's efforts to audit in setting inspection priorities and in fashioning enforcement responses to violations:

... EPA will continue to address environmental problems on a priority basis

and will consequently inspect facilities with poor environmental records and practices more frequently. Since effective environmental auditing helps management identify and promptly correct actual or potential problems, audited facilities' environmental performance should improve. Thus, while EPA inspections of self-audited facilities will continue, to the extent that compliance performance is considered in setting inspection priorities, facilities with a good compliance history may be subject to fewer inspections.

In fashioning enforcement responses to violations, EPA policy is to take into account, on a case-by-case basis, the honest and genuine efforts of regulated entities to avoid and promptly correct violations and underlying environmental problems. When regulated entities take reasonable precautions to avoid noncompliance, expeditiously correct underlying environmental problems discovered through audits or other means, and implement measures to prevent their recurrence, EPA may exercise its discretion to consider such actions as honest and genuine efforts to assure compliance. Such consideration applies particularly when a regulated entity promptly reports violations or compliance data that otherwise were not required to be recorded or reported to EPA.

These principles have been incorporated into the Agency's enforcement response and civil penalty policies.

2. Audit Provisions as Remedies in Enforcement Settlements

The 1986 Policy includes the following language on audit provisions as remedies in enforcement settlements:

EPA may propose environmental auditing provisions in consent decrees and in other settlement negotiations where auditing could provide a remedy for identified problems and reduce the likelihood of similar problems recurring in the future. Environmental auditing provisions are most likely to be proposed in settlement negotiations when:

- A pattern of violations can be attributed, at least in part, to the absence or poor functioning of an environmental management system; or
- The type of nature of violations indicates a likelihood that similar noncompliance problems may exist or occur elsewhere in the facility or at other facilities operated by the regulated entity.

EPA's enforcement office issued further guidance on this issue in 1986 in a document entitled "EPA Policy on the Inclusion of Environmental Auditing Provisions in Enforcement Settlements." This guidance has been consistently applied in enforcement actions as appropriate, and has formed the basis for the inclusion of audit agreements or provisions in numerous consent decrees. Selected text from this document, also still in effect, is included here:

In recent years, Agency negotiators have achieved numerous settlements that require

regulated entities to audit their operations. These innovative settlements have been highly successful in enabling the Agency to accomplish more effectively its primary mission, namely, to secure environmental compliance. Indeed, auditing provisions in enforcement settlements have provided several important benefits to the Agency by enhancing its ability to:

- Address compliance at an entire facility or at all facilities owned or operated by a party, rather than just the violations discovered during inspections; and identify and correct violations that may have gone undetected (and uncorrected) otherwise;
- Focus the attention of a regulated party's top-level management on environmental compliance; produce corporate policies and procedures that enable a party to achieve and maintain compliance; and help a party to manage pollution control affirmatively over time instead of reacting to crises;
- Provide a quality assurance check by verifying that existing environmental management practices are in place, functioning and adequate.

It is the policy of EPA to settle its judicial and administrative enforcement cases only where violators can assure the Agency that their noncompliance will be (or has been) corrected. EPA . . . considers auditing an appropriate part of a settlement where heightened management attention could lower the potential for noncompliance to recur.

In most cases, either (or both) of the following two types of environmental audits should be considered (in enforcement settlements):

1. *Compliance Audit*: An independent assessment of the current status of a party's compliance with applicable statutory and regulatory requirements. This approach always entails a requirement that effective measures be taken to remedy uncovered compliance problems, and is most effective when coupled with a requirement that the root causes of noncompliance also be remedied.
2. *Management Audit*: An independent evaluation of a party's environmental compliance policies, practices, and controls. Such evaluation may encompass the need for: (1) A formal corporate environmental compliance policy, and procedures for implementation of that policy; (2) educational and training programs for employees; (3) equipment purchase, operation and maintenance programs; (4) environmental compliance officer programs (or other organizational structures relevant to compliance); (5) budgeting and planning systems for environmental compliance; (6) monitoring, record keeping and reporting systems; (7) in-plant and community emergency plans; (8) internal communications and control systems; and (9) hazard identification and risk assessment.

Whether to seek a compliance audit, a management audit, or both will depend upon the unique circumstances of each case. A compliance audit usually will be appropriate where the violations uncovered by Agency inspections raise the likelihood that

environmental noncompliance exists elsewhere within a party's operations. A management audit should be sought where it appears that a major contributing factor to noncompliance is inadequate (or nonexistent) managerial attention to environmental policies, procedures or staffing. Both types of audits should be sought where both current noncompliance and shortcomings in a party's environmental management practices need to be addressed.

C. Environmental Auditing and Criminal Enforcement Policy

Following EPA's 1986 Policy, three significant developments mark the evolution and implementation of criminal enforcement policy governing the use of self-audits and the voluntary disclosure of environmental violations.

First, on July 1, 1991, the Department of Justice issued a guidance entitled: "Factors In Decisions On Criminal Prosecutions For Environmental Violations In The Context Of Significant Voluntary Compliance Or Disclosure Efforts By The Violator." The guidance sets the general DOJ policy on auditing:

It is the policy of the Department of Justice to encourage self-auditing, self-policing, and voluntary disclosure of environmental violations by the regulated community by indicating that these activities are viewed as mitigating factors in the Department's exercise of criminal enforcement discretion.

The guidance and the examples contained therein provide a framework for the determination of whether a particular case presents the type of circumstances in which lenience would be appropriate. The factors to be considered in exercising the Department's prosecutorial discretion, in cases where the law and evidence are otherwise sufficient for prosecution, include: voluntary disclosure; cooperation; preventive measures and compliance programs; pervasiveness of noncompliance; internal disciplinary action; and subsequent compliance efforts.

Second, on November 11, 1993, the Final Draft Environmental Sentencing Guidelines provided for the mitigation of sentences where a court finds that the following factors for environmental compliance are satisfied: line management attention to compliance; integration of environmental policies, standards, and procedures; auditing, monitoring, reporting and tracking systems; regulatory expertise, training and evaluation; incentives for compliance; disciplinary procedures; continuing evaluation and improvement.

Finally, on January 12, 1994, EPA's Director of Criminal Enforcement issued a guidance entitled: "The Exercise of Investigative Discretion," that sets forth

specific factors that distinguish cases meriting criminal investigation. With respect to corporations conducting environmental audits, the guidance states:

Corporate culpability may be indicated when a company performs an environmental compliance or management audit, and then knowingly fails to promptly remedy the non-compliance and correct any harm done. On the other hand, EPA policy strongly encourages self-monitoring, self-disclosure, and self-correction. When self-auditing has been conducted (followed up by prompt remediation of the non-compliance and any resulting harm) and full, complete disclosure has occurred, the company's constructive activities should be considered as mitigating factors in EPA's exercise of investigative discretion. Therefore, a violation that is voluntarily revealed and fully and promptly remediated as part of a corporation's systematic and comprehensive self-evaluation program generally will not be a candidate for the expenditure of scarce criminal resources.

D. Audit Privilege Legislation

Four States (Colorado, Indiana, Kentucky, and Oregon) have recently enacted legislation which, with some variations, creates a "self-evaluative" privilege for audit reports. EPA has consistently opposed this approach, principally because of the risk of weakening State enforcement programs, the imposition of unnecessary transaction costs and delays in enforcement actions, and the potential increase in the number of situations requiring the expenditure of scarce Agency resources, including the "overfiling" of State enforcement actions. EPA urges States that are considering a privilege-oriented approach to actively participate in the comprehensive process described in the June 20, 1994 *Federal Register* notice (59 FR 31914) before pursuing any legislative action. The Agency also encourages States that have passed such legislation to present documentary justification for this approach either at the public meeting on July 27-28, 1994, or in written comments.

E. Environmental Auditing at Federal Facilities

The 1986 Policy also encourages all Federal agencies subject to environmental laws and regulations to institute environmental auditing, to help ensure the adequacy of internal systems to achieve, maintain and monitor compliance. Such Federal facility environmental audit programs should be structured to promptly identify environmental problems and expeditiously develop schedules for remedial action.

Where appropriate, EPA will enter into agreements with other agencies to clarify the respective roles, responsibilities and commitments of each agency in conducting and responding to Federal facility environmental audits. Also, to the extent feasible, EPA will provide technical assistance to help Federal agencies design and initiate audit programs. Currently, the EPA Federal Facility Enforcement Office (FFEO) is co-chairing an inter-Agency work group to revise auditing guidelines and protocols for Federal agencies. In addition, FFEO is developing the Federal Government Environmental Challenge Program required by Executive Order 12856, which calls for the establishment of a Code of Environmental Principles and a Model Installation Program for Federal facilities. This program is likely to include environmental auditing components.

The 1986 Policy states that:

With respect to inspections of self-audited facilities and requests for audit reports, EPA generally will respond to environmental audits by Federal facilities in the same manner as it does for other regulated entities.

* * * * *

Federal agencies should, however, be aware that the Freedom of Information Act will govern any disclosure of audit reports or audit-generated information requested from Federal agencies by the public.

When Federal agencies discover significant violations through an audit, EPA encourages them to voluntarily submit the related findings and corrective action plans to the appropriate EPA Regional office and State agencies, even when not specifically required to do so. EPA will review the audit findings and action plans, and negotiate either a consent agreement or a Federal Facilities Compliance Agreement, pursuant to its enforcement authorities under the various environmental statutes. In any event, Federal agencies are expected to report to EPA pollution abatement and prevention projects involving costs necessary to correct compliance problems discovered through the audit, in accordance with OMB Circular A-106. Upon request, and in appropriate circumstances, EPA may assist affected Federal agencies through coordination of any public release of voluntarily submitted audit findings with approved action plans once agreement has been reached and/or appropriate enforcement actions have been taken.

V. Review of Relationship to State or Local Regulatory Agencies

Effective Federal/state partnerships are critical to accomplishing the mutual goal of achieving and maintaining high levels of compliance with environmental laws and regulations. The greater the consistency between state and local policies and the Federal response to environmental auditing, the greater the degree to which sound auditing practices might be adopted and compliance levels improved. State and local regulatory agencies, of course, have independent jurisdiction over regulated entities. EPA encourages them to adopt these or similar policies on environmental auditing, in order to advance the use of effective environmental auditing in a consistent manner.

The 1986 Policy emphasizes this point further:

EPA recognizes that some states have already undertaken environmental auditing initiatives that differ somewhat from this policy. Other states also may want to develop auditing policies that accommodate their particular needs or circumstances. Nothing in this policy statement is intended to preempt or preclude states from developing other approaches to environmental auditing. EPA encourages state and local authorities to consider the basic principles that guided the Agency in developing this policy:

- Regulated entities must continue to report or record compliance information required under existing statutes or regulations, regardless of whether such information is generated by an environmental audit or contained in an audit report. Required information cannot be withheld merely because it is generated by an audit rather than by some other means.
- Regulatory agencies cannot make promises to forgo or limit enforcement action against a particular facility or class of facilities in exchange for the use of environmental auditing systems. However, such agencies may use their discretion to adjust enforcement actions on a case-by-case basis in response to honest and genuine efforts by regulated entities to assure environmental compliance.
- When setting inspection priorities, regulatory agencies should focus to the extent possible on compliance performance and environmental results.
- Regulatory agencies must continue to meet minimum program requirements (e.g., minimum inspection requirements, etc).
- Regulatory agencies should not attempt to prescribe the precise form and structure of regulated entities' environmental management or auditing programs.

VI. Conclusion

All of the policies referenced in this notice remain in effect. The Agency intends, however, to re-examine these policies comprehensively and remains open to suggestions for changes and

improvements regarding all aspects of existing auditing policy. The information presented here is intended for the convenience of interested parties, in preparation for the July 27-28, 1994 public meeting. The Agency hopes that this information will clarify EPA's current activities and policies related to environmental auditing.

The Office of Compliance will respond to written requests for copies of the documents referenced in this notice. Send all requests to: U.S. EPA, Office of Compliance, Attn: Ira R. Feldman, Special Counsel, 401 M Street, NW (5503), Washington, DC 20460.

Steven A. Herzog,

Assistant Administrator, Office of Enforcement and Compliance Assurance.

[FR Doc. 94-18327 Filed 7-27-94; 8:45 am]

BILLING CODE 6560-50-P

[FRL-5021-2]

Effluent Guidelines Task Force Open Meeting

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of meeting.

SUMMARY: The Effluent Guidelines Task Force, an EPA advisory committee, will hold a meeting to discuss improvements to the Agency's Effluent Guidelines Program. The meeting is open to the public.

DATES: The meeting will be held on Tuesday, August 16, from 8:30 am to 5:00 pm, and Wednesday, August 17, 1994, from 8:30 am to 3:00 pm.

ADDRESSES: The meeting will take place at the Dupont Plaza Hotel, 1500 New Hampshire Avenue NW, Washington, D.C. Comments may be sent to Eric Strassler, Effluent Guidelines Task Force, Office of Water (4303), EPA, 401 M Street, S.W., Washington, D.C. 20460. **FOR FURTHER INFORMATION CONTACT:** Eric Strassler at 202-260-7150, fax 202-260-7185.

SUPPLEMENTARY INFORMATION: Pursuant to the Federal Advisory Committee Act (Pub. L. 92-463), the Environmental Protection Agency gives notice of a meeting of the Effluent Guidelines Task Force (EGTF). The EGTF is a subcommittee of the National Advisory Council for Environmental Policy and Technology (NACEPT), the external policy advisory board to the Administrator of EPA.

The EGTF was established in July of 1992 to advise EPA on the Effluent Guidelines Program, which develops regulations for dischargers of industrial wastewater pursuant to Title III of the Clean Water Act (33 U.S.C. 1251 et seq.).

The Task Force consists of members appointed by EPA from industry, citizen groups, state and local government, the academic and scientific communities, and EPA regional offices. The Task Force was created to offer advice to the Administrator on the long-term strategy for the effluent guidelines program, and particularly to provide recommendations on a process for expediting the promulgation of effluent guidelines. The Task Force generally does not discuss specific effluent guideline regulations currently under development.

The meeting agenda will include discussions on draft recommendations for improving the project management and data collection processes for effluent guidelines. There will also be discussions on the methodology for conducting preliminary industry studies, and a planning session for future task force activities.

The meeting is open to the public. Limited seating for the public is available on a first-come, first-served basis. The public may submit written comments to the Task Force regarding improvements to the Effluent Guidelines program. Comments should be sent to EPA at the above address. Comments submitted by August 8 will be considered by the Task Force at or subsequent to the meeting.

Dated: July 14, 1994.

Eric Strassler,

Designated Federal Official, Effluent Guidelines Task Force.

[FR Doc. 94-18330 Filed 7-27-94; 8:45 am]

BILLING CODE 6560-50-P

[FRL-5022-1]

Improving EPA's Indian Program Operations

AGENCY: U.S. Environmental Protection Agency.

ACTION: Soliciting public comments on the agency's efforts to enhance Indian program operations.

SUMMARY: The Environmental Protection Agency (EPA) is soliciting comments from the public on the following potential approaches for improving the Agency's Tribal operations, including the establishment of a new national Indian Program Office. To obtain Tribal input into this process, as well as input on future Tribal matters, the EPA Administrator convened the Tribal Operations Committee (TOC) comprised of Tribal representatives and EPA Senior Managers. EPA is now seeking broader input on these approaches, and will consider comments received during

the public comment period to ensure that the strongest options have been identified.

PUBLIC COMMENT PERIOD: Comments must be received by September 12, 1994.

ADDRESSES: Comments should be sent to Caren Rothstein, Tribal Operations Team, US EPA, Mail Code 1199, 401 M Street SW., Washington, DC 20460.

FOR FURTHER INFORMATION CONTACT: Caren Rothstein at 202-260-7519.

SUPPLEMENTARY INFORMATION: The Environmental Protection Agency has made continual progress in building its Tribal program since issuance of the Agency's 1984 Indian Policy. In Fiscal Year 1993, approximately \$35 million and 165 work years were utilized to implement EPA Indian programs, either through direct grants to Tribes or through Federal implementation and technical assistance to Tribes.

Regulations and guidance specific to Tribes have been developed under many of EPA's programs establishing the process for Tribes to apply for grants and program authorization. Over 90 Tribes in the Same Manner as a State determinations, formerly referred to as Treatment as a State, have been made under various water programs. Numerous Tribes have submitted water quality standards for authorization by EPA, and three have already been approved. Many more Tribal applications are expected in the future for a broad array of EPA programs.

The growth of EPA's Indian program has led to an increased understanding of the seriousness of environmental threats to human health and the environments within Indian Country by EPA and the Tribes. To promote improved communications and partnerships with Tribes to address these concerns, the EPA Administrator convened a Tribal Operations Committee (TOC) to meet with her and other EPA Senior Management as co-regulators, on a regular basis, and to provide Tribal input into Agency decision making that may affect Tribes.

The TOC is comprised of 18 Tribal representatives, who are either Tribal Leaders or Tribal environmental officials selected by Tribes within EPA regions. There are Tribal representatives from each of EPA's regions except Region III, which has no Federally recognized Tribes.

On February 17, 1994, at the first official TOC meeting, the Administrator committed to strengthening the Agency's Tribal operations and reaffirmed the Agency's 1984 Indian Policy. As one of the first actions for the Tribal representatives to the TOC and in-