

prospective and current transactions arising under the Customs and related laws. The document solicited public comments on the proposed amendments and specified September 17, 2001, as the closing date for the submission of comments. On July 30, 2001, Customs published in the **Federal Register** (66 FR 39293) a correction document regarding the proposal.

Customs has received a letter from an international trade association requesting a 60-day extension of the public comment period. The letter explained that an extension was necessary because of the difficulty in collecting the views of the association's extensive membership during the summer vacation season regarding a matter that is of critical importance for the international trade community.

Customs believes that the request for a 60-day extension of the comment period must be balanced against the need to move forward with this important regulatory project. Accordingly, while Customs is sympathetic with the arguments made in support of an extension of the comment period, Customs believes that a 30-day extension would be more appropriate and would still afford sufficient additional time for the submission of comments by all interested parties. After the close of the extended comment period, Customs will review the comments submitted and will determine whether those comments raise issues that are of sufficient magnitude as to warrant reopening the comment period, publishing revised proposed amendments and/or instituting another appropriate public procedure prior to taking final action on this matter.

Accordingly, the public comment period is extended 30 days, to October 17, 2001.

Dated: August 22, 2001.

Douglas M. Browning,

Acting Assistant Commissioner, Office of Regulations and Rulings.

[FR Doc. 01-21659 Filed 8-27-01; 8:45 am]

BILLING CODE 4820-02-P

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 250

RIN 1010-AC75

Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Safety Measures and Procedures for Pipeline Modifications and Repairs

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Proposed rule.

SUMMARY: The proposed rule pertains to any pipeline modification or repair that involves cutting into a pipeline or opening a pipeline at a flange. It requires that all lessees, lease operators, and pipeline right-of-way holders submit in writing the measures they plan to take and the procedures they plan to follow to ensure the safety of offshore workers and to prevent pollution before beginning any repair. Eventually, all pipeline valves leak internally, and this poses a potential safety problem to offshore workers during pipeline modifications or repairs, because hydrocarbons and pressure differentials in pipelines can pose a significant hazard of fire and explosion.

DATES: MMS will consider all comments we receive by October 29, 2001. We will begin reviewing comments then and may not fully consider comments we receive after October 29, 2001.

ADDRESSES: Mail or hand-carry comments to the Department of the Interior; Minerals Management Service; Mail Stop 4020; 381 Elden Street; Herndon, Virginia 20170-4817; Attention: Rules Processing Team (RPT). If you wish to e-mail comments, the RPT's e-mail address is: rules.comments@mms.gov. Reference 1010-AC75 Safety Measures in your e-mail subject line. Include your name and return address in your e-mail message and mark your message for return receipt.

Mail or hand-carry comments with respect to the information collection burden of the proposed rule to the Office of Information and Regulatory Affairs; Office of Management and Budget; Attention: Desk Officer for the Department of the Interior (OMB control number 1010-NEW); 725 17th Street, NW., Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Carl W. Anderson, Operations Analysis Branch, at (703) 787-1608 or e-mail at carl.anderson@mms.gov.

SUPPLEMENTARY INFORMATION:

Background

MMS is authorized to issue and enforce rules to promote safe operations, environmental protection, and resource conservation on the Outer Continental Shelf (OCS). (The OCS Lands Act (43 U.S.C. 1331 *et seq.*) defines the OCS.) Under this authority, MMS regulates pipeline transportation of mineral production and rights-of-way for pipelines and associated facilities. MMS approves all OCS pipeline applications, regardless of whether a pipeline is built and operated under DOI or Department of Transportation (DOT) regulatory requirements. MMS also has sole authority to grant rights-of-way for OCS pipelines.

Cutting into or opening an existing pipeline for purposes of modifying or repairing it are among the most hazardous operations involving offshore oil and gas production and transportation. The pipeline first must be properly purged of significant collections of hydrocarbons, hydrogen sulfide (H₂S), and pressure. Moreover, measures must be taken to ensure that no gases or volatile fluids seep into the area that is to be repaired from areas in the pipeline that are under higher pressure.

For example, a gas "bubble" in a pipeline on the seabed under 400 feet of water may be fairly confined by the pressure exerted by hydrocarbons or water in the pipeline at that depth. If, however, that relatively limited bubble is allowed to circulate to a surface opening and work area where the pressure is decreased to "one atmosphere," the bubble may quickly expand into a gas cloud that could drive additional gas or liquid hydrocarbons into the area and either asphyxiate or burn platform workers. Such an occurrence resulted in seven fatalities and the loss of the entire production platform at South Pass 60, Platform B, in March 1989. MMS's investigation report for this accident concluded that two contributing causes to the accident were "the absence of detailed and coordinated planning for the project," and "the absence of oversight over contractor activities."

Other multiple fatalities have occurred offshore when workers attempted either to cut into a pipeline or open a pig trap when they believed that combustible hydrocarbons or high pressure had been eliminated from the system. Such accidents occurred at Galveston Block 189, Platform A in May 1970 (nine fatalities), and Main Pass 41, Platform B, in August 1995 (two fatalities).

In the Main Pass Block 41 accident, two workers died when they attempted to blow down a 16-inch pipeline through its pig trap. They were instantly killed when they erroneously opened the pig trap door while it was under 1,000 pounds of pressure. Three years earlier, the senior worker had received a commendation in his performance appraisal for substantially reducing the time it takes to blow down a pipeline by using a pig trap. In the subsequent accident investigation hearing conducted by MMS, company workers said it was "abnormal" to blow down a pipeline using a pig trap, and the company Operations Supervisor said that it was an unacceptable method for blowing down a pipeline. Although the pipeline blow-down operation had been discussed at the daily morning meeting, there had been no agreed-upon or written procedure for conducting the operation.

During late 2000, a diver was killed during a subsea pipeline repair because of negative pressure conditions in the pipeline engendered by attempts to depressurize the pipeline before repairs. Under sea-bottom conditions, the negative pressures created vacuum-like conditions in the pipeline relative to the outside environment. This accident emphasized that negative-pressure conditions in a pipeline can be as deadly as over-pressure conditions.

Internal Valve Leakage in Pipelines

Early in 1998, the American Petroleum Institute (API) requested that MMS incorporate by reference into its regulations, at 30 CFR 250.198, Supplements 1 and 2 to API Specification 6D (API Spec 6D), "Specification for Pipeline Valves (Gate, Plug, Ball, and Check Valves)," Twenty-first Edition, March 31, 1994. MMS regulations had incorporated API Spec 6D, but not its supplements.

The API Subcommittee on Valves and Wellhead Equipment issued Supplements 1 and 2 to API Spec 6D on December 1, 1996, and December 1, 1997, respectively. (Supplement 2 actually fully incorporates and expands upon Supplement 1.) For metal-to-metal seated valves, the Supplements changed from a "no visible leakage" standard to "allowable internal leakage rates" according to valve size. Prior to API's issuing the supplements, API Spec 6D allowed no visible leakage from any valves.

Valve leakage within pipelines poses a special safety concern. Once a pipeline system is purged of all contents and its valves closed, there is a danger that the system may become re-pressurized if the valves leak. Since all

pipeline systems eventually are either cut into or opened at a flange for repair or modification purposes, internal valve leakage can have deadly consequences for unsuspecting workers. Also, acceptance of "allowable leakage rates" means that out-of-service pipelines isolated by block valves are never completely shut down.

MMS rejected Supplements 1 and 2 as documents incorporated by reference by issuing Notice to Lessees and Operators on the Outer Continental Shelf (NTL) No. 98-16N in October 1998. MMS needed more time to discuss the issues with API and to consider the ramifications of the "allowable internal leakage" standard for the OCS regulatory program. MMS reasoned:

"It may well be that the "no visible leakage" standard contained in the 21st and previous editions of API Spec 6D is an unreasonably high standard for metal-to-metal seats. Metal-to-metal seats are non-deforming compared to non-metal-to-metal seats; therefore, it may be reasonable to expect that some leakage would occur between facing metal surfaces. Nevertheless, there appears to be no data or agreed-upon formula for predicting an acceptable leakage rate."

MMS made a concerted attempt with API to research this issue and held further discussions with industry. In February 1999, MMS proposed a research project on leakage rates to API. They surveyed their members on their perceptions of the "allowable leakage rates" and willingness to participate in the research project. Only 25 of 250 potential respondents replied. Their answers indicated that few valve suppliers believe that the "no visible leakage" standard is realistic, other than for special-purpose, non-off-the-shelf (i.e., expensive) valves. Support for new research was very limited.

Industry representatives maintained that there are little formal data on leakage rates. They explained, however, that most correspondence on this subject focuses on leakage rates contained in International Standards Organization Standard 5208, Rate D. These rates are incorporated into Supplements 1 and 2. The API Spec 6D workgroup generally agreed that these leakage rates are reasonable and in line with their experience.

Participants in the API Spec 6D workgroup almost unanimously agree that all pipeline valves leak significantly after they have been in service for a short time due to operational residue and abrasion. This indicates that initial leakage rates for new valves are usually irrelevant by the time a pipeline is in need of repair or placed out-of-service.

Therefore, measures in addition to "closed valves" are needed to protect workers and to ensure "isolated pipelines" during pipeline repairs.

MMS's pipeline staff conferred on these issues in November 1999 and decided that rejecting the new allowable internal leakage rates would be unrealistic in light of what MMS had learned from its discussions with industry. Moreover, the maintenance of an unrealistic "no visible leakage" standard would not address the real regulatory dilemma that regardless of initial internal leakage rates, eventually all pipeline valves will leak internally.

Therefore, the MMS workgroup recommended canceling NTL 98-16N and adopting Supplement 2 as a document incorporated by reference. On May 1, 2000, MMS issued a technical amendment to its regulations adopting Supplement 2 to API Spec 6D as a document incorporated by reference. As of May 31, 2000, NTL No. 98-16N was cancelled.

The MMS workgroup further reasoned that since internal leakage occurs in pipeline valves regardless of initial leakage rates, MMS must address this concern in its inspection and maintenance procedures. Therefore, the MMS workgroup also recommended the amendments to subpart J that are the subject of this proposed rulemaking.

The Purpose of This Rule

The proposed rule would require that all lessees, lease operators, and pipeline right-of-way holders consider and submit in writing the measures they plan to take and the procedures they plan to follow to ensure the safety of company or contract workers and to prevent pollution during pipeline modifications or repairs. These written measures and procedures would be required before beginning any pipeline modification or repair that involves cutting into a pipeline or opening a pipeline at a flange. Accidents involving pipeline modifications and repairs have the potential for fire or explosion resulting in fatalities, heavy equipment damage, and spills. This rulemaking is necessary to ensure the degree of safety necessary to protect pipeline workers and prevent pollution. The rule would amend 30 CFR Part 250, Subpart J—Pipelines and Pipeline Rights-of-Way by:

- Revising Section (§) 250.1000, paragraph (b);
- Adding a new definition to § 250.1001;
- Redesignating current paragraph (c) under § 250.1007 as paragraph (d);
- Adding a new paragraph (c) to § 250.1007;

- Revising § 250.1008, paragraph (e); and
- Revising § 250.1014.

If we can never be sure that a valve is holding its seal, then we have to assume that an “isolated” pipeline segment contains pressure, H₂S, combustibles, or a combination of these conditions. Under some conditions, the segment could contain negative or vacuum pressure, which is also hazardous. We have to pay much closer attention to the work procedures and practices to prepare for modification or repair work on a pipeline. Accordingly, we have developed the following procedures that lessees, lease operators, and pipeline right-of-way holders would be required to implement to improve safety before and during pipeline modifications and repairs that would involve either cutting into a pipeline or opening the pipeline at a flange. In planning for any modifications or repairs for an existing pipeline segment, all lessees, lease operators, and pipeline right-of-way holders would be required to:

(1) Consider the operating history of the pipeline segment to be modified or repaired, including past modifications or repairs and operating conditions peculiar to that segment;

(2) Employ all reasonable measures to ensure that pressure in the pipeline segment is equal to the external pressure (internally, there should be neither over-pressure nor negative pressure relative to external pressure), and that they purge all combustibles from the segment immediately before conducting any work;

(3) Develop procedures, first, to inform all facility workers (both company and contract workers) in advance concerning the nature of any upcoming modification or repair, and then to alert all facility workers immediately before any attempts to depressurize a pipeline and immediately before cutting into or opening any pipeline to perform the modification or repair;

(4) Ensure that they maintain onsite supervision during the entire modification or repair; and

(5) Provide procedures and safeguards to ensure that the segment remains isolated during the entire modification or repair so that facility workers (both company and contract) are not endangered by pressure differentials, H₂S, or combustibles.

We originally intended to write a requirement for out-of-service pipelines in this proposed rulemaking, but decided against it. However, we are proposing a definition for out-of-service pipelines, since subpart J currently does

not have a criterion for declaring a pipeline out of service.

Procedural Matters

Public Comment

Our practice is to make comments, including names and home addresses of respondents, available for public review during regular business hours. Individual respondents may request that we withhold their home address from the rulemaking record, which we will honor to the extent allowable by law. There may be circumstances in which we would withhold from the rulemaking record a respondent's identity, as allowable by law. If you wish us to withhold your name and/or address, you must state this prominently at the beginning of your comment. However, we will not consider anonymous comments. We will make all submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, available for public inspection in their entirety.

Regulatory Planning and Review (Executive Order 12866)

This is not a significant rule under Executive Order 12866 and does not require review by the Office of Management and Budget (OMB).

a. The proposed rule will not have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. The proposed rule will not create an adverse effect upon the ability of the United States offshore oil and gas industry to compete in the world marketplace, nor will the proposal adversely affect investment or employment factors locally. The economic effects of the rule would not be significant. They would add about \$400 to the cost of each pipeline modification or repair. This is not a large cost compared to the overall cost of a modification or repair, and it may reduce significantly the possibility of a fatal or environmentally damaging accident during the course of a repair. Direct costs to industry for the entire proposed rule total \$80,000 annually. This is based on the approximately 25 applications we receive annually for pipeline modifications in both the Gulf of Mexico and Pacific OCS Regions. We also receive notifications of about 175 pipeline repairs annually for both Regions. All modifications and repairs add up to a total of 200 written

procedures at an average cost of \$400 each (200 procedures × \$400 per procedure = \$80,000). This also constitutes the entire annual Paperwork Reduction Act burden costs for the proposed rule. The proposed rule will have a minor and perhaps indeterminate economic effect on the offshore oil and gas and transmission pipeline industries.

b. This rule will not create inconsistencies with other agencies' actions. This rule does not change the relationships of the OCS oil and gas leasing program with other agencies' actions. These relationships are all encompassed in agreements and memoranda of understanding that will not change with this proposed rule. This rulemaking is being coordinated with the Office of Pipeline Safety under the DOT, according to the 1996 Memorandum of Understanding on OCS pipelines between the DOI and DOT.

c. This rule will not affect entitlements, grants, loan programs, or the rights and obligations of their recipients. It is strictly a planning requirement to prevent accidents and environmental pollution on the OCS.

d. This rule will not raise novel legal or policy issues. There is a precedent for actions of this type under regulations dealing with the OCS Lands Act and the Oil Pollution Act of 1990.

Regulatory Flexibility (RF) Act

DOI has determined that this rule will not have a significant economic effect on a substantial number of small entities. While this rule will affect a substantial number of small entities, the economic effects of the rule will not be significant.

The regulated community for this proposal consists of about 160 oil and gas producers and 88 pipeline companies. Of these operators, 80 producers and 18 pipeline companies are considered to be “small.” Of the small producers to be affected by the proposed rule, almost all are represented by the North American Industry Classification System (NAICS) code 211111 (crude petroleum and natural gas extraction). The small pipeline companies are represented primarily by NAICS codes 486110 (crude petroleum pipelines) and 486210 (natural gas transmission pipelines).

DOI's analysis of the economic impacts indicates that direct costs to both large and small companies for the entire rule total approximately \$80,000 annually. The proposed rule will have a minor and perhaps indeterminate economic effect on any of the production or transportation pipeline operators on the OCS, regardless of

company size. This is because in the overwhelming majority of cases, operators choose to perform pipeline repairs or modifications on their own initiative, not because of an MMS safety inspection. The proposed rule would add relatively little to the cost of a pipeline repair. Thus, there would not be a significant impact on a substantial number of small entities under the RF Act (5 U.S.C. 601 *et seq.*). The proposed rule would not cause the business practices of any of these companies to change.

Your comments are important. The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you wish to comment on the enforcement actions of MMS, call toll-free (888) 734-3247.

Energy Supply, Distribution, or Use
(Executive Order 13211)

This rule is not a significant rule and is not subject to review by the Office of Management and Budget under Executive Order 12866. The rule does not have a significant effect on energy supply, distribution, or use because in the overwhelming majority of cases, operators choose to perform pipeline repairs or modifications on their own initiative, not because of an MMS safety inspection. The proposed rule would add about \$400 to the cost of each pipeline modification or repair. This is not a large cost compared to the overall cost of a modification or repair, and it may reduce significantly the possibility of a fatal or environmentally damaging accident during the course of a repair. MMS' analysis of the economic impacts indicates that direct costs to both large and small companies for the entire rule total approximately \$80,000 annually. All modifications and repairs add up to a total of 200 written procedures at an average cost of \$400 each (200 procedures $\times$ \$400 per procedure = \$80,000). This will not significantly affect domestic energy supply, distribution, or use.

Small Business Regulatory Enforcement Fairness Act (SBREFA)

This rule is not a major rule under 5 U.S.C. 804(2), the SBREFA. The proposed rule would add about \$400 to the cost of each pipeline modification or repair, but this is not a large cost compared to the overall cost of a modification or repair. Moreover, it may

reduce significantly the possibility of a fatal or environmentally damaging accident during the course of a repair. Such an accident could be economically disastrous for a small entity. Thus, the proposed rule will have a minor and perhaps indeterminate economic effect on the small offshore oil and gas operators and transmission pipeline companies. Based on our economic analysis:

a. This rule does not have an annual effect on the economy of \$100 million or more. As indicated in our cost analysis, direct costs to industry for the entire proposed rule total approximately \$80,000 annually. The proposed rule will have a minor economic effect on the offshore oil and gas and transmission pipeline industries.

b. This rule will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.

c. This rule does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises.

Paperwork Reduction Act (PRA) of 1995

The proposed rule requires information collection, and an information collection request (form OMB 83-I) has been submitted to OMB for review and approval under section 3507(d) of the PRA. The title of this collection of information is "Proposed Rulemaking—30 CFR 250, Subpart J, Safety Measures and Procedures for Pipeline Modifications and Repairs." Respondents include approximately 160 oil and gas producers and 88 pipeline companies. The frequency of reporting is on occasion. The information collection does not include questions of a sensitive nature or require proprietary information.

This proposed rule requires reporting of the following information and estimated burden hours to protect the marine, coastal, and human environment to ensure safety and compliance with the OCS Lands Act:

In § 250.1007, new paragraph (c), each lessee, lessee's operator, or pipeline right-of-way holder would be required, for any pipeline modification or repair that involves either cutting into a pipeline or opening a pipeline at a flange, to provide to the MMS Regional Supervisor a written work plan with their application to do the work that addresses the specific measures they plan to take and the procedures they plan to follow to ensure the safety of offshore personnel and to prevent

pollution. We estimate that about 200 such work plans would be submitted each year, with an estimated burden of 4 hours per work plan, for a total annual burden of 800 hours.

The total public reporting burden for this information collection requirement is estimated to be 800 annual burden hours. This includes the time for reviewing instructions, searching existing data sources, and gathering the data. The proposed rule requires no recordkeeping burdens. At \$100 per hour, the annual paperwork burden would be \$80,000.

The requirement to respond is mandatory. The requirement is "performance-based" in that the operator determines the safest and most environmentally sound method to perform a pipeline modification or repair. MMS uses the information to ensure that the operator has taken the time to think through the work procedure so that it is performed in a safe and environmentally sound way.

All OCS lessees, lease operators, and pipeline rights-of-way holders under MMS jurisdiction are already subject to the regulatory and paperwork requirements in 30 CFR 250, subpart J, on Pipelines and Pipeline Rights-of-Way. The information collection requirements in this subpart are approved by OMB under OMB control number 1010-0050. The proposed rule revises several sections that require information collection currently approved under 1010-0050. However, the revisions only restate current requirements and do not affect the currently approved burdens.

As part of our continuing effort to reduce paperwork and respondent burdens, MMS invites the public and other Federal agencies to comment on any aspect of the reporting burden in the proposed rule. You may submit your comments directly to the Office of Information and Regulatory Affairs, OMB. Please send a copy of your comments to MMS so that we can summarize all written comments and address them in the final rule preamble. Refer to the ADDRESSES section for mailing instructions.

The PRA provides that an agency may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. Until OMB approves the collection of information and assigns a control number, you are not required to respond. OMB is required to make its decision on the information collection aspects of this proposed rule between 30 to 60 days after publication in the **Federal Register**. Therefore, a comment to OMB is best assured of having its full

effect if OMB receives it by September 27, 2001. This does not affect the deadline for the public to comment to MMS on the proposed regulations.

a. We specifically solicit comments on the following questions:

(1) Is the proposed collection of information necessary for MMS to properly perform its functions, and will it be useful?

(2) Are the estimates of the burden hours of the proposed collection reasonable?

(3) Do you have any suggestions that would enhance the quality, clarity, or usefulness of the information to be collected?

(4) Is there a way to minimize the information collection burden on those who are to respond, including the use of appropriate automated electronic, mechanical, or other forms of information technology?

b. In addition, the PRA requires agencies to estimate the total annual reporting and recordkeeping "non-hour" cost burden resulting from the collection of information. We have not identified any and solicit your comments on this item. For reporting and recordkeeping only, your response should split the cost estimate into two components: (1) The total capital and startup cost component, and (2) annual operation, maintenance, and purchase of services component. Your estimates should consider the costs to generate, maintain, and disclose or provide the information. You should describe the methods you use to estimate major cost factors, including system and technology acquisition, expected useful life of capital equipment, discount rate(s), and the period over which you incur costs. Generally, your estimates should not include equipment or services purchased: before October 1, 1995; to comply with requirements not associated with the information collection; for reasons other than to provide information or keep records for the Government; or as part of customary and usual business or private practice.

Federalism (Executive Order 13132)

According to Executive Order 13132, the rule does not have significant Federalism effects. The proposed rule does not change the role or responsibilities of Federal, State, and local governmental entities. The rule does not relate to the structure and role of States and will not have direct, substantive, or significant effects on States.

Takings (Executive Order 12630)

DOI certifies that this rule does not represent a governmental action capable

of interference with constitutionally protected property rights.

Civil Justice Reform (Executive Order 12988)

DOI has certified to OMB that this regulation meets the applicable civil justice reform standards provided in sections 3(a) and 3(b)(2) of Executive Order 12988.

Unfunded Mandates Reform Act (UMRA) of 1995

This rule does not contain any unfunded mandates to State, local, or tribal governments, nor would it impose significant regulatory costs on the private sector. Anticipated costs to the private sector will be far below the \$100 million threshold for any year that was established by UMRA.

National Environmental Policy Act (NEPA) of 1969

We have analyzed this rule according to the criteria of NEPA and 516 Departmental Manual 6, Appendix 10.4C, "issuance and/or modification of regulations." We completed a Categorical Exclusion Review (CER) for this action on April 25, 2000, and concluded: "The proposed rulemaking does not represent an exception to the established criteria for categorical exclusion, and its impacts are limited to administrative, economic, or technological effects. Therefore, preparation of an environmental document will not be required, and further documentation of this CER is not required."

Clarity of This Regulation

Executive Order 12866 requires each agency to write regulations that are easy to understand. We invite your comments on how to make this proposed rule easier to understand, including answers to questions such as the following:

(1) Are the requirements in the rule clearly stated?

(2) Does the rule contain technical language or jargon that interfere with its clarity?

(3) Does the format of the rule (grouping and order of sections, use of headings, paragraphing, etc.) aid or reduce its clarity?

(4) Is the description of the rule in the **SUPPLEMENTARY INFORMATION** section of this preamble helpful in understanding the rule? What else can we do to make the rule easier to understand?

Send a copy of any comments that concern how we could make this rule easier to understand to: Office of Regulatory Affairs, Department of the Interior, Room 7229, 1849 C Street,

NW., Washington, DC 20240. You may also e-mail the comments to this address: Exsec@ios.doi.gov

List of Subjects in 30 CFR Part 250

Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Investigations, Mineral royalties, Oil and gas development and production, Oil and gas exploration, Oil and gas reserves, Penalties, Pipelines, Public lands—mineral resources, Public lands—rights-of-way, Reporting and recordkeeping requirements, Sulphur development and production, Sulphur exploration, Surety bonds.

Dated: August 16, 2001.

J. Steven Griles,

Acting Assistant Secretary, Land and Minerals Management.

For the reasons stated in the preamble, the Minerals Management Service (MMS) proposes to amend 30 CFR part 250 as follows:

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

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

Authority: 43 U.S.C. 1331, *et seq.*

2. In § 250.1000, the following changes are made:

(A) Revise the title and paragraph (b) of the section to read as set forth below;

(B) Paragraphs (c) through (e) are redesignated as paragraphs (d) through (f);

(C) New paragraph (c) is added as set forth below.

§ 250.1000 What are the general requirements for pipelines and pipeline rights-of-way?

* * * * *

(b) You—the lessee, lease operator, or pipeline right-of-way holder—must submit and obtain the Regional Supervisor's approval for an application before you may conduct any of the following operations:

(1) Install a pipeline;

(2) Modify a pipeline;

(3) Cut into a pipeline or open a pipeline at a flange for purposes of modifying or repairing a pipeline; or

(4) Decommission a pipeline.

(c) For right-of-way pipelines (see § 250.1001, Definitions) you must submit the applications required by paragraph (b) of this section and the requests required by this paragraph. You must obtain the Regional Supervisor's approval for each request. You must submit:

(1) A request for a pipeline right-of-way grant before you install a right-of-way pipeline;

(2) A request to modify an existing pipeline right-of-way grant before you conduct any operations that are not covered by the grant as approved; and

(3) A request to relinquish an existing pipeline right-of-way grant before you decommission a right-of-way pipeline.

3. In § 250.1001, a definition of the term "out-of-service pipeline" is added in alphabetical order as follows:

§ 250.1001 Definitions.

Out-of-service pipelines are those pipelines that have not been used to transport oil, natural gas, sulfur, or produced water for more than 30 consecutive days.

4. In § 250.1007, paragraph (c) is redesignated as paragraph (d); and a new paragraph (c) is added to read as follows:

§ 250.1007 What to include in applications.

(c) If you submit an application for a pipeline modification or repair that involves cutting into a pipeline or opening a pipeline at a flange, you must include a written work plan with your application. Your written work plan must include a description of the specific measures you intend to take and the procedures you plan to follow to ensure the safety of offshore workers and to prevent pollution during the modification or repair. If you intend to repair a pipeline by installing a full encirclement mechanical clamp on the pipeline and do not intend to either cut into or open the pipeline at a flange, you do not have to submit a written work plan with your application. In writing a work plan, you must:

(1) Consider the operating history of the pipeline segment you plan to modify or repair, including past modifications or repairs and operating conditions peculiar to the pipeline segment;

(2) Develop all reasonable measures to ensure that pressure in the pipeline segment is equal to the external pressure (internally, there should be neither overpressure nor negative pressure relative to external pressure);

(3) Develop all reasonable measures to ensure that you purge all combustibles and hydrogen sulfide (H₂S) from the pipeline segment immediately before you conduct any work;

(4) Develop procedures to inform all facility workers (both company and contract) in advance concerning

significant aspects of the modification or repair;

(5) Develop procedures to alert all facility workers immediately before you attempt to de-pressurize the pipeline and immediately before you cut into or open the pipeline to perform the modification or repair;

(6) Maintain onsite supervision during the entire modification or repair; and

(7) Develop procedures and safeguards to ensure that the pipeline segment remains isolated during the entire modification or repair so that facility workers (both company and contract) are not endangered by pressure differentials, H₂S, or combustibles.

5. In § 250.1008, paragraph (e) is revised to read as follows:

§ 250.1008 Reports.

(e) You must notify the Regional Supervisor within 24 hours after you decide that a pipeline repair is necessary, or immediately in cases of a pipeline failure. All such notifications must be made before you start the repair work. You must also submit a confirmation report of the repair of any pipeline or pipeline component to the Regional Supervisor within 30 days after you complete the work. Your confirmation report must include the following:

(1) Description of the repair;

(2) X-Y coordinates of the pipeline repair;

(3) Confirmation of the damage to or failure of the pipeline as originally reported;

(4) Confirmation that the repair was completed as approved by the Regional Supervisor; and

(5) Results of the hydrostatic pressure test.

6. Section 250.1014 is revised to read as follows:

§ 250.1014 Relinquishment of a right-of-way grant.

You may surrender a right-of-way grant or a portion thereof by filing three copies of a written relinquishment with the Regional Supervisor. Your relinquishment must contain those items required by § 250.1007(d) of this subpart. Your relinquishment will take effect on the date you file it, provided that you have fulfilled all your obligations for outstanding debts, fees, or fines and the requirements in § 250.1009(c)(9) of this subpart.

[FR Doc. 01-21601 Filed 8-27-01; 8:45 am]

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37 CFR Part 201

[Docket No. RM 2001-6]

Compulsory License for Making and Distributing Phonorecords, Including Digital Phonorecord Deliveries

AGENCY: Copyright Office, Library of Congress.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Copyright Office of the Library of Congress is seeking comment on proposed amendments to the regulations governing the content and service of certain notices on the copyright owner of a musical work. The notice is served or filed by a person who intends to use the work to make and distribute phonorecords, including by means of digital phonorecord deliveries, under a compulsory license.

DATES: Comments are due no later than September 27, 2001.

ADDRESSES: An original and ten copies of any comment shall be delivered to: Office of the General Counsel, Copyright Office, James Madison Building, Room LM-403, First and Independence Avenue, SE, Washington, DC; or mailed to: Copyright Arbitration Royalty Panel (CARP), P.O. Box 70977, Southwest Station, Washington, DC 20024-0977.

FOR FURTHER INFORMATION CONTACT: David O. Carson, General Counsel, or Tanya M. Sandros, Senior Attorney, Copyright Arbitration Royalty Panel, P.O. Box 70977, Southwest Station, Washington, DC 20024-0977. Telephone: (202) 707-8380. Telefax: (202) 252-3423.

SUPPLEMENTARY INFORMATION:

Background

Section 115 of the Copyright Act, 17 U.S.C., provides that "[w]hen phonorecords of a nondramatic musical work have been distributed to the public in the United States under the authority of the copyright owner, any other person * * * may, by complying with the provisions of this section, obtain a compulsory license to make and distribute phonorecords of the work." 17 U.S.C. 115(a)(1). The compulsory license set forth in section 115 permits the use of a nondramatic musical work without the consent of the copyright owner if certain conditions are met and royalties are paid. It does not, however, allow for the reproduction and distribution of a sound recording. These are the exclusive rights of the copyright owner of the sound recording and must