

**Public comments:** A public comment period will commence at approximately 11:45 a.m. EST on November 29, 2022, and again on November 30, 2022, at the same time. To provide time for as many people to speak as possible, speaking time for each individual will be limited to three minutes. Members of the public who would like to speak are asked to contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section. Commenters will be placed on the agenda in the order in which notifications are received. If time allows, additional comments will be permitted. Copies of oral comments must be submitted in writing at the meeting or preferably emailed to the person listed in the **FOR FURTHER INFORMATION CONTACT** section. Additional written comments are welcome and must be filed as indicated below.

**Written comments:** Persons who wish to submit written comments for consideration by the Committee must send them to the person listed in the **FOR FURTHER INFORMATION CONTACT** section.

(Authority: 49 CFR part 1.93(a); 5 U.S.C. 552b; 41 CFR parts 102–3; 5 U.S.C. app. Sections 1–16)

By Order of the Maritime Administrator:  
**T. Mitchell Hudson, Jr.,**  
Secretary, Maritime Administration.

[FR Doc. 2022–22996 Filed 10–21–22; 8:45 am]

**BILLING CODE 4910–81–P**

## DEPARTMENT OF TRANSPORTATION

### National Highway Traffic Safety Administration

[Docket No. NHTSA–2020–0066; Notice 2]

#### Volkswagen Group of America, Inc., Denial of Petition for Decision of Inconsequential Noncompliance

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

**ACTION:** Denial of petition.

**SUMMARY:** Volkswagen Group of America, Inc., (“Volkswagen”) has determined that certain model year (MY) 2019–2020 Volkswagen and Audi motor vehicles do not fully comply with Federal Motor Vehicle Safety Standard (FMVSS) No. 138, *Tire Pressure Monitoring Systems*. Volkswagen filed a noncompliance report dated May 6, 2020, and later amended it on May 15, 2020. Volkswagen subsequently petitioned NHTSA on May 20, 2020, and later amended the petition on June 8, 2020, for a decision that the subject

noncompliance is inconsequential as it relates to motor vehicle safety. This document announces and explains the denial of Volkswagen’s petition.

**FOR FURTHER INFORMATION CONTACT:** Ahmad Barnes, Office of Vehicle Safety Compliance, NHTSA, (202) 366–7236.

#### SUPPLEMENTARY INFORMATION:

##### I. Overview

Volkswagen has determined that certain MY 2019–2020 Volkswagen and Audi motor vehicles do not fully comply with the requirements of paragraph S6(f)(3) of FMVSS No. 138, *Tire Pressure Monitoring Systems* (49 CFR 571.138). Volkswagen filed a noncompliance report dated May 6, 2020, and later amended it on May 15, 2020, pursuant to 49 CFR part 573, *Defect and Noncompliance Responsibility and Reports*. Volkswagen subsequently petitioned NHTSA on May 20, 2020,<sup>1</sup> for an exemption from the notification and remedy requirements of 49 U.S.C. Chapter 301 on the basis that this noncompliance is inconsequential as it relates to motor vehicle safety, pursuant to 49 U.S.C. 30118(d) and 30120(h) and 49 CFR part 556, *Exemption for Inconsequential Defect or Noncompliance*.

Notice of receipt of Volkswagen’s petition was published with a 30-day public comment period on July 10, 2020, in the **Federal Register** (85 FR 41670). One comment was received. To view the petition and all supporting documents, log onto the Federal Docket Management System (FDMS) website at <https://www.regulations.gov/>, and then follow the online search instructions to locate docket number “NHTSA–2020–0066”

##### II. Vehicles Involved

Approximately 299,043 of the following MY 2019–2020 Volkswagen and Audi motor vehicles manufactured between November 26, 2018, and February 19, 2020, are potentially involved:

- 2019–2020 Volkswagen Atlas
- 2020 Volkswagen Atlas Cross Sport
- 2019 Volkswagen Golf R
- 2019 Volkswagen Tiguan LWB
- 2019–2020 Volkswagen Jetta NF
- 2019–2020 Volkswagen Jetta GLI
- 2019 Volkswagen Golf Sportwagen A7
- 2019 Audi Q3
- 2019–2020 Volkswagen Golf GTI
- 2019 Volkswagen Golf Alltrack
- 2019–2020 Volkswagen Golf A7
- 2019–2020 Audi A3 Sedan
- 2019 Audi A3 Cabriolet

<sup>1</sup> Volkswagen amended this petition on June 8, 2020 to correct certain vehicle information to match its filing information.

##### III. Noncompliance

Volkswagen explains that the noncompliance is that the subject vehicles are equipped with tire pressure monitoring systems (TPMS) that do not fully comply with the requirements set forth in paragraph S6(f)(3) of FMVSS No. 138. Specifically, when there is a simultaneous pressure loss on all four tires, in which pressure loss occurs at the same rate and time, the detection may not occur within the 20-minute timeframe specified in test procedure requirements.

##### IV. Rule Requirements

Paragraphs S4.2(a), S4.3.1(c), and S6(f)(3) of FMVSS No. 138 include the requirements relevant to this petition. Paragraph S4.2(a) requires that the TPMS must illuminate a low tire pressure warning telltale not more than 20 minutes after the inflation pressure in one or more of the vehicle’s tires, up to a total of four tires, is equal to or less than either the pressure 25 percent below the vehicle manufacturer’s recommended cold inflation pressure, or the pressure specified in the 3rd column of Table 1 of FMVSS No. 138 for the corresponding type of tire, whichever is higher. Paragraph S4.3.1(c) requires that the TPMS is illuminated under the conditions specified in Paragraph S4.2. Paragraph S6(f)(3) requires that the sum of the total cumulative drive time under the test procedures described in paragraphs S6(f)(1) and (2) shall be the lesser of 20 minutes or the time at which the low tire pressure telltale illuminates.

##### V. Summary of Volkswagen’s Petition

The following summarizes the views and arguments provided by Volkswagen in its petition. Therein, Volkswagen describes the subject noncompliance and contends that the noncompliance is inconsequential as it relates to motor vehicle safety.

In support of its petition, Volkswagen offers the following reasoning:

1. A rapid tire pressure loss on one or more tires is accurately detected and the low tire pressure warning telltale will illuminate and warn the driver.

2. A pressure loss on fewer than four tires at the same time and rate will be detected, and the low tire pressure warning telltale will illuminate and warn the driver.

3. A simultaneous pressure loss on all four tires at the same rate will be detected and indicated to the driver, but not in the required 20 minutes. Internal tests have shown that in those tests where the pressure loss was not detected in 20 minutes, a warning to the

driver was still shown in under 50 minutes. Volkswagen believes this behavior is not relevant for real world driving, as this particular diffusion scenario, involving all four tires at the same time and same rate, is very unlikely to happen in real world driving.

4. Volkswagen states that as of the production dates listed below for each respective vehicle, the condition has been corrected:

*Volkswagen:*

- 2019–2020 Volkswagen Golf vehicles, as of October 26, 2019;
- 2019 Volkswagen Golf Alltrack vehicles, as of October 26, 2019;
- 2019–2020 Volkswagen Golf GTI vehicles, as of October 26, 2019;
- 2019 Volkswagen Golf Sportwagen vehicles, as of August 28, 2019;
- 2019 Volkswagen Golf R vehicles, as of August 20, 2019;
- 2019–2020 Volkswagen Jetta vehicles, as of October 24, 2019;
- 2019–2020 Volkswagen Jetta GLI vehicles, as of October 24, 2019;
- 2019 Volkswagen Tiguan vehicles, as of August 18, 2019;
- 2019–2020 Volkswagen Atlas vehicles, as of February 20, 2020; and
- 2020 Volkswagen Atlas Cross Sport vehicles, as of July 25, 2019.

*Audi:*

- 2019–2020 Audi A3 vehicles, as of January 25, 2020;
- 2019 Audi A3 Cabriolet vehicles, as of July 13, 2019; and
- 2019 Audi Q3 vehicles, as of July 31, 2019.

5. The affected vehicles held at the factory have been corrected, and unsold units in dealer inventory will be corrected prior to sale.

6. Additionally, Volkswagen states that it is not aware of any field or customer complaints related to this condition, nor has it been made aware of any accidents or injuries that have occurred as a result of this issue.

Volkswagen concludes by again contending that the subject noncompliance is inconsequential as it relates to motor vehicle safety, and asking that it be exempted from providing notification of the noncompliance, as required by 49 U.S.C. 30118, and a remedy for the noncompliance, as required by 49 U.S.C. 30120.

## VI. Public Comment

NHTSA received one comment from the public. This comment was submitted anonymously by an individual who expressed their opinion that the subject noncompliance is inconsequential. However, the commenter did not provide any

information specific to the subject noncompliance in support of this opinion. While the Agency takes great interest in the public's concerns and appreciates the commenter's feedback, the comment does not address the substance of Volkswagen's petition.

## VII. NHTSA's Analysis

The burden of establishing the inconsequentiality of a failure to comply with a *performance requirement* in a standard—as opposed to a *labeling requirement with no performance implications*—is more substantial and difficult to meet. Accordingly, the Agency has not found many such noncompliances inconsequential.<sup>2</sup>

In determining inconsequentiality of a noncompliance, NHTSA focuses on the safety risk to individuals who experience the type of event against which the recall would otherwise protect.<sup>3</sup> In general, NHTSA does not consider the absence of complaints or injuries as evidence that the issue is inconsequential to safety. The absence of complaints does not mean vehicle occupants have not experienced a safety issue, nor does it mean that there will not be safety issues in the future.<sup>4</sup>

Arguments that only a small number of vehicles or items of motor vehicle equipment are affected also do not justify granting an inconsequentiality petition.<sup>5</sup> Similarly, mere assertions that

only a small percentage of vehicles or items of equipment are likely to actually exhibit a noncompliance are unpersuasive. The percentage of potential occupants that could be adversely affected by a noncompliance is not relevant to whether the noncompliance poses an inconsequential risk to safety. Rather, NHTSA focuses on the consequence to an occupant who is exposed to the consequence of that noncompliance.<sup>6</sup>

NHTSA has evaluated the merits of Volkswagen's petition for inconsequential noncompliance and has decided to deny the petition.

The intent of FMVSS No. 138 is to ensure that performance requirements for TPMS warn drivers of significant under-inflation of tires and the resulting safety problems.

Volkswagen explains that in certain instances where there is simultaneous pressure loss on all 4 tires, in which the pressure loss occurs at the same rate and time, the detection may not occur within the prescribed timeframe of the FMVSS No. 138 test procedure, but that a warning to the driver was still shown in under 50 minutes. Volkswagen believes this behavior is not relevant for real world driving, as this particular diffusion scenario, involving all four tires at the same time and same rate, is very unlikely to happen in real world driving.

The loss of tire air pressure in one, two, three, or all four tires is relevant and can occur under normal driving conditions. Under-inflation is one of the leading causes of tire failure. If tire pressure is too low, too much of the tire's surface area touches the road, which increases friction. Increased friction can cause the tires to overheat, which can lead to premature wear, tread separation, and blowouts. Even if the likelihood of all four tires deflating at the same rate at the same time is low, when they happen, blowouts can endanger the driver of the vehicle with the damaged tire as well as other drivers sharing the adjacent roadway. A blowout could cause the driver to lose control of their vehicle and crash. Depending on the severity of the blowout, other drivers might swerve to

<sup>2</sup> Cf. *Gen. Motors Corporation; Ruling on Petition for Determination of Inconsequential Noncompliance*, 69 FR 19897, 19899 (Apr. 14, 2004) (citing prior cases where noncompliance was expected to be imperceptible, or nearly so, to vehicle occupants or approaching drivers).

<sup>3</sup> See, e.g., *Gen. Motors, LLC; Grant of Petition for Decision of Inconsequential Noncompliance*, 78 FR 35355 (June 12, 2013) (finding noncompliance had no effect on occupant safety because it had no effect on the proper operation of the occupant classification system and the correct deployment of an air bag); *Osram Sylvania Prods. Inc.; Grant of Petition for Decision of Inconsequential Noncompliance*, 78 FR 46000 (July 30, 2013) (finding occupant using noncompliant light source would not be exposed to significantly greater risk than occupant using similar compliant light source).

<sup>4</sup> See *Morgan 3 Wheeler Limited; Denial of Petition for Decision of Inconsequential Noncompliance*, 81 FR 21663, 21666 (Apr. 12, 2016); see also *United States v. Gen. Motors Corp.*, 565 F.2d 754, 759 (D.C. Cir. 1977) (finding defect poses an unreasonable risk when it “results in hazards as potentially dangerous as sudden engine fire, and where there is no dispute that at least some such hazards, in this case fires, can definitely be expected to occur in the future”).

<sup>5</sup> See *Mercedes-Benz, U.S.A., L.L.C.; Denial of Application for Decision of Inconsequential Noncompliance*, 66 FR 38342 (July 23, 2001) (rejecting argument that noncompliance was inconsequential because of the small number of vehicles affected); *Aston Martin Lagonda Ltd.; Denial of Petition for Decision of Inconsequential Noncompliance*, 81 FR 41370 (June 24, 2016) (noting that situations involving individuals trapped in motor vehicles—while infrequent—are

consequential to safety); *Morgan 3 Wheeler Ltd.; Denial of Petition for Decision of Inconsequential Noncompliance*, 81 FR 21663, 21664 (Apr. 12, 2016) (rejecting argument that petition should be granted because the vehicle was produced in very low numbers and likely to be operated on a limited basis).

<sup>6</sup> See *Gen. Motors Corp.; Ruling on Petition for Determination of Inconsequential Noncompliance*, 69 FR 19897, 19900 (Apr. 14, 2004); *Cosco Inc.; Denial of Application for Decision of Inconsequential Noncompliance*, 64 FR 29408, 29409 (June 1, 1999).

avoid pieces of flying debris from the blown tire and crash their vehicles. The TPMS detection requirements were established to reduce the possibility of any negative consequences due to underinflated tires. The Agency established the requirement that the driver be given a warning when tire pressure is 25 percent or more below the vehicle manufacturer's recommended cold tire inflation pressure. This low-tire pressure threshold, combined with the corresponding 20-minute limit to notify vehicle operators of this condition, was created to facilitate warning drivers of significant underinflation of tires to prevent resulting safety problems.

### VIII. NHTSA's Decision

In consideration of the foregoing, NHTSA has decided that Volkswagen has not met its burden of persuasion that the subject FMVSS No. 138 noncompliance is inconsequential to motor vehicle safety. Accordingly, Volkswagen's petition is hereby denied, and Volkswagen is consequently obligated to provide notification of and free remedy for that noncompliance under 49 U.S.C. 30118 and 30120.

(Authority: 49 U.S.C. 30118, 30120; delegations of authority at 49 CFR 1.95 and 501.8)

Anne L. Collins,

*Associate Administrator for Enforcement.*

[FR Doc. 2022-23020 Filed 10-21-22; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Fiscal Service

#### Bureau of the Fiscal Service

#### Fee Schedule for the Transfer of U.S. Treasury Book-Entry Securities Held on the Fedwire Securities Service

**AGENCY:** Bureau of the Fiscal Service, Fiscal Service, Treasury.

**ACTION:** Notice.

**SUMMARY:** The Department of the Treasury (Treasury) is announcing a new process to establish a fee schedule applicable to transfers of U.S. Treasury book-entry securities maintained on the Fedwire Securities Service (Fedwire) that will start on or after January 1, 2023.

**DATES:** Applicable January 1, 2023.

**FOR FURTHER INFORMATION CONTACT:** Janeene Matias, Bureau of the Fiscal Service, 304-480-6321.

**SUPPLEMENTARY INFORMATION:** Effective January 1, 2023, the Federal Reserve

will be responsible for establishing the fee structure for the transfer of Treasury book-entry securities maintained on Fedwire, consistent with section 11A of the Federal Reserve Act and with Federal Reserve policies. This change, which applies to both the basic fee and off-line surcharge, will result in a consistent fee structure for transfers of Treasury and all other securities issued over Fedwire. Specific fee amounts will be set out in a separate **Federal Register** notice published by the Federal Reserve and will also be available on the Federal Reserve's *FRBservices.org* website.<sup>1</sup>

Treasury does not charge a fee for account maintenance, the stripping and reconstitution of Treasury securities, the wires associated with original issues, or interest and redemption payments. Treasury currently absorbs these costs and will continue to do so unless otherwise announced.

*Authority:* 31 CFR 357.45.

**Timothy E. Gribben,**

*Commissioner, Bureau of the Fiscal Service.*

[FR Doc. 2022-22995 Filed 10-21-22; 8:45 am]

**BILLING CODE 4810-AS-P**

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

#### Notice of OFAC Sanctions Actions

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Notice.

**SUMMARY:** The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing the names of one or more persons that have been placed on OFAC's List of Specially Designated Nationals and Blocked Persons (SDN List) based on OFAC's determination that one or more applicable legal criteria were satisfied. All property and interests in property subject to U.S. jurisdiction of these persons are blocked, and U.S. persons are generally prohibited from engaging in transactions with them.

**DATES:** See Supplementary Information section for effective date.

#### FOR FURTHER INFORMATION CONTACT:

OFAC: Andrea Gacki, Director, tel.: 202-622-2490; Associate Director for Global Targeting, tel.: 202-622-2420; Assistant Director for Licensing, tel.: 202-622-2480; Assistant Director for Regulatory Affairs, tel.: 202-622-4855; or the Assistant Director for Sanctions

<sup>1</sup> For a current listing of the Federal Reserve System's fees, please refer to <https://www.frbservices.org/financial-services/securities/index.html>.

Compliance & Evaluation, tel.: 202-622-2490.

#### SUPPLEMENTARY INFORMATION:

##### Electronic Availability

The SDN List and additional information concerning OFAC sanctions programs are available on OFAC's website ([www.treasury.gov/ofac](http://www.treasury.gov/ofac)).

##### Notice of OFAC Actions

On October 19, 2022, OFAC determined that the property and interests in property subject to U.S. jurisdiction of the following persons are blocked under the relevant sanctions authority listed below.

##### Individuals

1. VALENZUELA VALENZUELA, Juan Francisco, Mexico; DOB 03 Dec 1979; POB Sinaloa, Mexico; nationality Mexico; Gender Male; C.U.R.P. VAVJ791203HSLLLN08 (Mexico) (individual) [ILLICIT-DRUGS-EO14059]. Designated pursuant to section 1(a)(i) of Executive Order 14059 of December 15, 2021, "Imposing Sanctions on Foreign Persons Involved in the Global Illicit Drug Trade" (E.O. 14059), 86 FR 71549, for having engaged in, or attempted to engage in, activities or transactions that have materially contributed to, or pose a significant risk of materially contributing to, the international proliferation of illicit drugs or their means of production.

2. RIVAS CHAIRES, Raul, Mexico; DOB 08 Dec 1970; POB Sonora, Mexico; nationality Mexico; Gender Male; C.U.R.P. RICR701208HSRVHL06 (Mexico) (individual) [ILLICIT-DRUGS-EO14059]. Designated pursuant to section 1(a)(i) of E.O. 14059 for having engaged in, or attempted to engage in, activities or transactions that have materially contributed to, or pose a significant risk of materially contributing to, the international proliferation of illicit drugs or their means of production.

3. ARAUJO PERALTA, Hector Alfonso, Mexico; DOB 21 Apr 1968; POB Sinaloa, Mexico; nationality Mexico; Gender Male; C.U.R.P. AAPH680421HSLRRC05 (Mexico) (individual) [ILLICIT-DRUGS-EO14059]. Designated pursuant to section 1(a)(i) of E.O. 14059 for having engaged in, or attempted to engage in, activities or transactions that have materially contributed to, or pose a significant risk of materially contributing to, the international proliferation of illicit drugs or their means of production.

##### Entities

4. VALENZUELA DRUG TRAFFICKING ORGANIZATION, Mexico; Target Type Criminal Organization [ILLICIT-DRUGS-EO14059]. Designated pursuant to section 1(a)(i) of E.O. 14059 for having engaged in, or attempted to engage in, activities or transactions that have materially contributed to, or pose a significant risk of materially contributing to, the international proliferation of illicit drugs or their means of production.

5. ARFEL TRANSPORTADORA COOL LOGISTIC, S.A. DE C.V. (a.k.a. "ARFEL