

4. *Mail*: John M. Mooney, Chief, Criteria Pollutant Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604.

5. *Hand Delivery*: John M. Mooney, Chief, Criteria Pollutant Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604. Such deliveries are only accepted during the Regional Office normal hours of operation, and special arrangements should be made for deliveries of boxed information. The Regional Office official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

Please see the direct final rule which is located in the Rules section of this **Federal Register** for detailed instructions on how to submit comments.

FOR FURTHER INFORMATION CONTACT:

Gilberto Alvarez, Environmental Scientist, Criteria Pollutant Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886-6143, alvarez.gilberto@epa.gov.

SUPPLEMENTARY INFORMATION: In the Rules section of this **Federal Register**, EPA is approving the State's SIP submittal as a direct final rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this rule, no further activity is contemplated. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period. Any parties interested in commenting on this action should do so at this time. Please note that if EPA receives adverse comment on an amendment, paragraph, or section of this rule and if that provision may be severed from the remainder of the rule, EPA may adopt as final those provisions of the rule that are not the subject of an adverse comment. For additional information, see the direct final rule which is located in the Rules section of this **Federal Register**.

Dated: April 9, 2009.

Bharat Mathur,

Acting Regional Administrator, Region 5.
[FR Doc. E9-9363 Filed 4-23-09; 8:45 am]

BILLING CODE 6560-50-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

46 CFR Part 401

[Docket No. USCG-2008-1126]

RIN 1625-AB29

2009 Rates for Pilotage on the Great Lakes

AGENCY: Coast Guard, DHS.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard is proposing to update the rates for pilotage on the Great Lakes by 9.41%, effective August 1, 2009, to generate sufficient revenue to cover allowable expenses, target pilot compensation, and returns on investment. The proposed update reflects an August 1, 2009, increase in benchmark contractual wages and benefits, as well as an increase in the ratio of pilots to "bridge hours." This rulemaking promotes the Coast Guard strategic goal of maritime safety.

DATES: Comments and related material must reach the Docket Management Facility on or before May 26, 2009.

ADDRESSES: You may submit comments identified by Coast Guard docket number USCG-2008-1126 to the Docket Management Facility at the U.S. Department of Transportation. To avoid duplication, please use only one of the following methods:

(1) *Federal eRulemaking Portal:*

<http://www.regulations.gov>.

(2) *Fax:* 202-493-2251.

(3) *Mail:* Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590-0001.

(4) *Hand delivery:* Same as mail address above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-366-9329.

FOR FURTHER INFORMATION CONTACT: For questions on this proposed rule, call Mr. Woo S. Kim, Program Analyst, Great Lakes Pilotage Branch, Commandant (CG-54122), U.S. Coast Guard, at 202-372-1538, by fax 202-372-1929, or by e-mail at Woo.S.Kim@uscg.mil. If you have questions on viewing or submitting

material to the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone 202-366-9826.

SUPPLEMENTARY INFORMATION:

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I. Public Participation and Request for Comments

We encourage you to participate in this rulemaking by submitting comments and related materials. All comments received will be posted, without change, to <http://www.regulations.gov> and will include any personal information you have provided. We have an agreement with the Department of Transportation to use the Docket Management Facility.

A. Submitting Comments

If you submit a comment, please include the docket number for this rulemaking, (USCG-2008-1126), indicate the specific section of this document to which each comment applies, and give the reason for each comment. We recommend that you include your name and a mailing address, an e-mail address, or a phone number in the body of your document so that we can contact you if we have questions regarding your submission. You may submit your comments and material by electronic means, mail, fax, or delivery to the Docket Management Facility at the address under **ADDRESSES**; but please submit your comments and material by only one means. If you submit them by mail or delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit them by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received

during the comment period. We may change this proposed rule in view of them.

B. Viewing Comments and Documents

To view comments, as well as documents mentioned in this preamble as being available in the docket, go to <http://www.regulations.gov> at any time. Enter the docket number for this rulemaking (USCG–2008–1126) in the Search box, and click “Go >>.” If you do not have access to the Internet, you may view the docket online by visiting the Docket Management Facility in Room W12–140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

C. Privacy Act

Anyone can search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review a Privacy Act system of records notice regarding our public dockets in the January 17, 2008 issue of the **Federal Register** (73 FR 3316).

D. Public Meeting

We do not plan to hold a public meeting. But you may submit a request for one to the Docket Management Facility at the address under **ADDRESSES** explaining why one would be beneficial. If we determine that one would aid this rulemaking, we will hold one at a time and place announced by a later notice in the **Federal Register**.

II. Abbreviations

AMOU American Maritime Officers Union
 MISLE Coast Guard Marine Inspection, Safety, and Law Enforcement
 NAICS North American Industry Classification System
 NEPA National Environmental Policy Act of 1969
 NPRM Notice of Proposed Rulemaking
 NVMC National Vessel Movement Center
 OMB Office of Management and Budget

III. Background and Purpose

This notice of proposed rulemaking (NPRM) is issued pursuant to Coast Guard regulations in 46 CFR Parts 401–404. Those regulations implement the Great Lakes Pilotage Act of 1960, 46 U.S.C. Chapter 93, which requires foreign-flag vessels and U.S.-flag vessels engaged in foreign trade to use federally registered Great Lakes pilots while

transiting the St. Lawrence Seaway and the Great Lakes system, and which requires the Secretary of Homeland Security to “prescribe by regulation rates and charges for pilotage services, giving consideration to the public interest and the costs of providing the services.” 46 U.S.C. 9303(f).

The U.S. waters of the Great Lakes and the St. Lawrence Seaway are divided into three pilotage Districts. Pilotage in each District is provided by an association certified by the Coast Guard Director of Great Lakes Pilotage to operate a pilotage pool. It is important to note that, while the Coast Guard sets rates, it does not control the actual compensation that pilots receive. This is determined by each of the three District associations, which use different compensation practices.

District One, consisting of Areas 1 and 2, includes all U.S. waters of the St. Lawrence River and Lake Ontario. District Two, consisting of Areas 4 and 5, includes all U.S. waters of Lake Erie, the Detroit River, Lake St. Clair, and the St. Clair River. District Three, consisting of Areas 6, 7, and 8, includes all U.S. waters of the St. Mary’s River, Sault Ste. Marie Locks, and Lakes Michigan, Huron, and Superior. Area 3 is the Welland Canal, which is serviced exclusively by the Canadian Great Lakes Pilotage Authority and, accordingly, is not included in the U.S. rate structure. Areas 1, 5, and 7 have been designated by Presidential Proclamation, pursuant to the Great Lakes Pilotage Act of 1960, to be waters in which pilots must at all times be fully engaged in the navigation of vessels in their charge. Areas 2, 4, 6, and 8 have not been so designated because they are open bodies of water. Under the Great Lakes Pilotage Act of 1960, pilots assigned to vessels in these areas are only required to “be on board and available to direct the navigation of the vessel at the discretion of and subject to the customary authority of the master.” 46 U.S.C. 9302(a)(1)(B).

The Coast Guard pilotage regulations require annual reviews of pilotage rates and the setting of new rates at least once every five years, or sooner, if annual reviews show a need. 46 CFR 404.1. To assist in calculating pilotage rates, the pilotage associations are required to submit to the Coast Guard annual financial statements prepared by certified public accounting firms. In addition, every fifth year, in connection with the mandatory rate adjustment, the Coast Guard contracts with an independent accounting firm to conduct a full audit of the accounts and records

of the pilotage associations and prepare and submit financial reports relevant to the ratemaking process. In those years when a full ratemaking is conducted, the Coast Guard generates the pilotage rates using Appendix A to 46 CFR Part 404. Between the five-year full ratemaking intervals, the Coast Guard annually reviews the pilotage rates using Appendix C to Part 404, and adjusts rates when deemed appropriate. Terms and formulas used in Appendix A and Appendix C are defined in Appendix B to Part 404.

The last full ratemaking using the Appendix A methodology was published on April 3, 2006 (71 FR 16501). Rates for the 2007 season were adjusted based on an Appendix C review and the final rule was published on September 18, 2007 (72 FR 53158). Rates for the 2008 shipping season were also adjusted based on an Appendix C review published in an interim rule (73 FR 15092) on March 21, 2008 and a final rule (74 FR 220) on January 5, 2009. The present rulemaking proposes rate adjustments for the 2009 shipping season, based once again on an Appendix C review.

IV. Discussion of the Proposed Rule

The pilotage regulations require that pilotage rates be reviewed annually. If the annual review shows that pilotage rates are within a reasonable range of the base target pilot compensation set in the previous ratemaking, no adjustment to the rates will be initiated. However, if the annual review indicates that an adjustment is necessary, then the Coast Guard will establish new pilotage rates pursuant to 46 CFR 404.10.

A. Proposed Pilotage Rate Changes—Summarized

The Appendix C to 46 CFR 404 ratemaking methodology is intended for use during the years between Appendix A full ratemaking reviews and adjustments. This section summarizes the rate changes proposed for 2009, and then discusses in detail how the proposed changes were calculated under Appendix C. We are proposing an increase of 9.41% across all Districts over the last pilotage rate adjustment. This reflects an August 1, 2009, increase in benchmark contractual wages and benefits, as well as an increase in the ratio of pilots to “bridge hours,” which are the number of hours a pilot is aboard a vessel providing pilotage service. Actual rate increases vary by Area, and are summarized in Table 1.

TABLE 1—2009 AREA RATE CHANGES

If pilotage service is required in:	Then the proposed percentage increases over the current rate is:
Area 1 (Designated waters)	3.89
Area 2 (Undesignated waters)	4.44
Area 4 (Undesignated waters)	4.54
Area 5 (Designated waters)	4.12
Area 6 (Undesignated waters)	12.14
Area 7 (Designated waters)	23.07
Area 8 (Undesignated waters)	2.18
Overall Rate Change (percentage change in overall prospective unit costs/base unit costs; see Table 18)	9.41

Rates for cancellation, delay, or interruption in rendering services (46 CFR 401.420), and basic rates and charges for carrying a U.S. pilot beyond the normal change point, or for boarding at other than the normal boarding point (46 CFR 401.428), have been increased by 9.41% in all Areas.

B. Calculating the Rate Adjustment

The Appendix C ratemaking calculation involves eight steps:

Step 1: Calculate the total economic costs for the base period (*i.e.*, pilot compensation expense plus all other recognized expenses plus the return element) and divide by the total bridge hours used in setting the base period rates;

Step 2: Calculate the “expense multiplier,” the ratio of other expenses and the return element to pilot compensation for the base period;

Step 3: Calculate an annual “projection of target pilot compensation” using the same procedures found in Step 2 of Appendix A;

Step 4: Increase the projected pilot compensation in Step 3 by the expense multiplier in Step 2;

Step 5: Adjust the result in Step 4, as required, for inflation or deflation;

Step 6: Divide the result in Step 5 by projected bridge hours to determine total unit costs;

Step 7: Divide prospective unit costs in Step 6 by the base period unit costs in Step 1; and

Step 8: Adjust the base period rates by the percentage changes in unit cost in Step 7.

The base data used to calculate each of the eight steps comes from the 2008 Appendix C review. The Coast Guard also used the most recent union contracts between the American Maritime Officers Union (AMOU) and vessel owners and operators on the Great Lakes to determine target pilot compensation. Bridge hour projections for the 2009 season have been obtained from historical data, pilots, and industry. All documents and records used in this rate calculation have been placed in the public docket for this

rulemaking and are available for review at the addresses listed under **ADDRESSES**.

Some values may not total exactly due to format rounding for presentation in charts and explanations in this section. The rounding does not affect the integrity or truncate the real value of all calculations in the ratemaking methodology described below.

Step 1: Calculate the total economic cost for the base period. In this step, for each Area, we divide total economic costs for the base period by the total bridge hours used in setting the base period rates, to yield the base cost per bridge hour. Total base period economic costs include pilot compensation expenses, plus all other recognized expenses, plus the return on investment element set during the last Appendix A review (2006). The calculations providing the total base period economic costs for each Area are summarized in Table 16 of the 2008 final rule (74 FR 220; Jan. 5, 2009). Total bridge hours use in setting the base period rates were calculated in Table 13 of the 2008 final rule. Tables 2 through 4 summarize the Step 1 calculations:

TABLE 2—TOTAL ECONOMIC COST FOR BASE PERIOD, DISTRICT ONE

	Area 1 St. Lawrence River	Area 2 Lake Ontario	Total District One
Total base period economic costs	\$2,078,551	\$1,474,806	\$3,553,357
Base bridge hours	÷ 5,661	÷ 5,650	÷ 11,311
Base cost per bridge hour	= \$367.17	= \$261.03	= \$314.15

TABLE 3—TOTAL ECONOMIC COST FOR BASE PERIOD, DISTRICT TWO

	Area 4 Lake Erie	Area 5 South-east Shoal to Port Huron, MI	Total District Two
Total base period economic costs	\$1,251,203	\$2,334,169	\$3,585,372
Base bridge hours	÷ 7,320	÷ 5,097	÷ 12,417
Base cost per bridge hour	= \$170.93	= \$457.95	= \$288.75

TABLE 4—TOTAL ECONOMIC COST FOR BASE PERIOD, DISTRICT THREE

	Area 6 Lakes Huron and Michigan	Area 7 St. Mary's River	Area 8 Lake Superior	Total District Three
Total base period economic costs	\$2,884,724	\$1,427,515	\$1,944,032	\$6,256,273
Base bridge hours	÷ 18,000	÷ 3,863	÷ 11,390	÷ 33,253
Base cost per bridge hour	= \$160.26	= \$369.54	= \$170.68	= \$188.14

Step 2. Calculate the expense multiplier. In this step, for each Area, we calculate an expense multiplier by dividing the base operating expense,

shown in Table 16, Column B of the 2008 final rule, by base pilot compensation, shown in Table 16, Column C of the 2008 final rule. Tables

5 through 7 show the Step 2 calculations.

TABLE 5—EXPENSE MULTIPLIER, DISTRICT ONE

	Area 1 St. Lawrence River	Area 2b Lake Ontario	Total District One
Base operating expense	\$516,138	\$529,046	\$1,045,185
Base target pilot compensation	÷ \$1,562,413	÷ \$945,760	÷ \$2,508,173
Expense multiplier	= .33035	= .55939	= .41671

TABLE 6—EXPENSE MULTIPLIER, DISTRICT TWO

	Area 4 Lake Erie	Area 5 South- east Shoal to Port Huron, MI	Total District Two
Base operating expense	\$494,595	\$771,756	\$1,266,351
Base target pilot compensation	÷ \$756,608	÷ \$1,562,413	÷ \$2,319,021
Expense multiplier	= .65370	= .49395	= .54607

TABLE 7—EXPENSE MULTIPLIER, DISTRICT THREE

	Area 6 Lakes Huron and Michigan	Area 7 St. Mary's River	Area 8 Lake Superior	Total District Three
Base operating expense	\$993,207	\$384,201	\$619,968	\$1,997,375
Base target pilot compensation	÷ \$1,891,520	÷ \$1,041,609	÷ \$1,324,064	÷ \$4,257,193
Expense multiplier	= .52508	= .36885	= .46823	= .46918

Step 3. Calculate annual projection of target pilot compensation. In this step, we determine the new target rate of compensation and the new number of pilots needed in each pilotage Area, to determine the new target pilot compensation for each Area.

(a) *Determine new target rate of compensation.* Target pilot compensation is based on the average annual compensation of first mates and masters on U.S. Great Lakes vessels. Compensation includes wages and benefits. For pilots in undesignated waters, we approximate the first mates' compensation and, in designated waters, we approximate the master's compensation (first mates' wages multiplied by 150% plus benefits). To determine first mates' and masters' average annual compensation, we use data from the most recent AMOU contracts with the U.S. companies

engaged in Great Lakes shipping. Where different AMOU agreements apply to different companies, we apportion the compensation provided by each agreement according to the percentage of tonnage represented by companies under each agreement.

On August 16, 2007, the Coast Guard received the two most recent AMOU contracts. "Agreement A" covers vessels operated by American Steamship Co. and Inland Lakes Management, Inc. Inland Lakes Management operations continue to be covered by Agreement A, despite that company's 2008 acquisition by Mittal Steel USA, Inc. "Agreement B" covers vessels operated by Key Lakes, Inc., and all other vessels operated by Mittal Steel.

Both Agreement A and Agreement B provide for a 3% wage increase effective August 1, 2009. Under Agreement A, the daily wage rate will be increased from

\$255.28 to \$262.73. Under Agreement B, the daily wage rate will be increased from \$314.42 to \$323.86.

To calculate monthly wages, we apply Agreement A and Agreement B monthly multipliers of 54.5 and 49.5, respectively, to the daily rate. Agreement A's 54.5 multiplier represents 30.5 average working days, 15.5 vacation days, 4 days for four weekends, 3 bonus days, and 1.5 holidays. Agreement B's 49.5 multiplier represents 30.5 average working days, 16 vacation days, and 3 bonus days.

To calculate average annual compensation, we multiply monthly figures by 9 months, the length of the Great Lakes shipping season.

Table 8 shows new wage calculations based on Agreements A and B effective August 1, 2009.

TABLE 8—WAGES

Monthly component	Pilots on undesignated waters	Pilots on designated waters (undesignated × 150%)
AGREEMENT A: \$262.73 daily rate × 54.5 days	\$14,319	\$21,478
AGREEMENT A: Monthly total × 9 months = total wages	128,870	193,305
AGREEMENT B: 323.86 daily rate × 49.5 days	16,031	24,046
AGREEMENT B: Monthly total × 9 months = total wages	144,278	216,417

Both Agreements A and B include a health benefits contribution rate of \$80.69 effective August 1, 2009. Agreement A includes a pension plan contribution rate of \$33.35 per man-day. Agreement B includes a pension plan

contribution rate of \$43.55 per man-day. Both Agreements A and B provide a 401K employer matching rate, 5% of the wage rate. Neither Agreement A nor Agreement B includes a clerical contribution that appeared in earlier

contracts. Per the AMOU, the multiplier used to calculate monthly benefits is 45.5 days.

Table 9 shows new benefit calculations based on Agreements A and B, effective August 1, 2009.

TABLE 9—BENEFITS

Monthly component	Pilots on undesignated waters	Pilots on designated waters
AGREEMENT A: Employer contribution, 401(K) plan (Monthly Wages × 5%)	\$715.95	\$1,073.92
Pension = 33.35 × 45.5 days	1,517.43	1,517.43
Health = 80.69 × 45.5 days	3,671.40	3,671.40
AGREEMENT B: Employer contribution, 401(K) plan (Monthly Wages × 5%)	801.54	1,202.32
Pension = 43.55 × 45.5 days	1,981.53	1,981.53
Health = 80.69 × 45.5 days	3,671.40	3,671.40
AGREEMENT A: Monthly total benefits	= 5,904.77	= 6,262.74
AGREEMENT A: Monthly total benefits × 9 months	= 53,143	= 56,365
AGREEMENT B: Monthly total benefits	= 6,454.46	= 6,855.24
AGREEMENT B: Monthly total benefits × 9 months	= 58,090	= 61,697

Table 10 totals the wages and benefits under each agreement.

TABLE 10—TOTAL WAGES AND BENEFITS

	Pilots on undesignated waters	Pilots on designated waters
AGREEMENT A: Wages	\$128,870	\$193,305
AGREEMENT A: Benefits	+ 53,143	+ 56,365
AGREEMENT A: Total	= 182,013	= 249,670
AGREEMENT B: Wages	144,278	216,417
AGREEMENT B: Benefits	+ 58,090	+ 61,697
AGREEMENT B: Total	= 202,368	= 278,114

Table 11 shows that approximately one third of U.S. Great Lakes shipping deadweight tonnage operates under

Agreement A, with the remaining two thirds operating under Agreement B.

TABLE 11—DEADWEIGHT TONNAGE, AGREEMENT A AND AGREEMENT B

Company	Agreement A	Agreement B
American Steamship Company		664,215
Mittal Steel USA, Inc. (including Inland Lakes Management, Inc., vessels acquired by Mittal and continuing to operate under Agreement A)	12,656	96,544
Key Lakes, Inc	361,385	
Total tonnage, each agreement	374,041	760,759
Percent tonnage, each agreement	$374,041 \div 1,134,800 = 32.9600\%$	$760,759 \div 1,134,800 = 67.0400\%$

Table 12 applies the percentage of tonnage represented by each agreement to the wages and benefits provided by each agreement, to determine the projected target rate of compensation on a tonnage-weighted basis.

TABLE 12—PROJECTED TARGET RATE OF COMPENSATION, WEIGHTED BY AGREEMENT

	Undesignated waters	Designated waters
AGREEMENT A: Total wages and benefits $\times$ percent tonnage	$\$182,013 \times 32.96\% = \$59,993$	$\$249,670 \times 32.96\% = \$82,294$
AGREEMENT B: Total wages and benefits $\times$ percent tonnage	$\$202,368 \times 67.04\% = \$135,666$	$\$278,114 \times 67.04\% = \$186,445$
Total weighted average wages and benefits = projected target rate of compensation ...	$\$59,993 + \$135,666 = \$195,659$	$\$82,294 + \$186,445 = \$268,738$

(b) Determine number of pilots needed. Subject to adjustment by the Coast Guard Director of Great Lakes Pilotage to ensure uninterrupted service, we determine the number of pilots needed in each Area by dividing each Area's projected bridge hours, either by 1,000 (designated waters) or by 1,800 (undesignated waters).

Bridge hours are the number of hours a pilot is aboard a vessel providing pilotage service. Projected bridge hours are based on the vessel traffic that pilots are expected to serve. Based on

historical data and information provided by pilots and industry, the Coast Guard projects that vessel traffic in Districts 1 and 2, for the 2009 navigation season, will remain at the same level as in 2007. In District 3, the actual bridge hours for Areas 6 and 7 were down by more than 17% and 6%, respectively, when compared to the projected bridge hours in 2007. Consequently, District 3 has recommended, and we have agreed, to reduce the projected 2009 Area 6 and

Area 7 bridge hours by 10% from 2007. Consistent with this decrease in projected bridge hours, we are also reducing the number of pilots in Area 6 by two. We are projecting the same number of bridge hours for 2009 in Area 8 as we did in 2007.

Table 13 shows the projected bridge hours needed for each Area, and the total number of pilots needed after dividing those figures either by 1,000 or 1,800 and rounding up to the next whole pilot:

TABLE 13—NUMBER OF PILOTS NEEDED

Pilotage area	Projected 2009 bridge hours	Divided by 1,000 (designated waters) or 1,800 (undesignated waters)	Pilots needed (total = 40)
Area 1	5,661	1,000	6
Area 2	5,650	1,800	* 5
Area 4	7,320	1,800	4
Area 5	5,097	1,000	6
Area 6	13,406	1,800	8
Area 7	3,259	1,000	4
Area 8	11,630	1,800	7

* As indicated in the 2008 Final Rule, the Director has exercised his discretion to maintain 5 pilots in Area 2, to ensure facilitation of traffic.

(c) Determine the projected target pilot compensation for each Area. The projection of new total target pilot compensation is determined separately

for each pilotage Area by multiplying the number of pilots needed in each Area (see Table 13) by the projected target rate of compensation (see Table

12) for pilots working in that Area. Table 14 shows this calculation.

TABLE 14—PROJECTED TARGET PILOT COMPENSATION

Pilotage area	Pilots needed (total = 40)	Multiplied by tar- get rate of com- pensation	Projected target pilot compensation
Area 1	6	× \$268,738	\$1,612,431
Area 2	5	× 195,659	978,294
Total, District One	11		2,590,725
Area 4	4	× 195,659	782,635
Area 5	6	× 268,738	1,612,431
Total, District Two	10		2,395,066
Area 6	8	× 195,659	1,565,271
Area 7	4	× 268,738	1,074,954
Area 8	7	× 195,659	1,369,612
Total, District Three	19		4,009,836

Step 4: Increase the projected pilot compensation in Step 3 by the expense multiplier in Step 2. This step yields a

projected increase in operating costs necessary to support the increased

projected pilot compensation. Table 15 shows this calculation.

TABLE 15—PROJECTED PILOT COMPENSATION, MULTIPLIED BY THE EXPENSE MULTIPLIER EQUALS PROJECTED OPERATING EXPENSE

Pilotage area	Projected target pilot compensation	Multiplied by expense multiplier	Projected operating expense
Area 1	\$1,612,431	× .33035	\$532,661
Area 2	978,294	× .55939	547,246
Total, District One	2,590,725	× .41671	1,079,585
Area 4	782,635	× .65370	511,609
Area 5	1,612,431	× .49395	796,463
Total, District Two	2,395,066	× .54607	1,307,877
Area 6	1,565,271	× .52508	821,898
Area 7	1,074,954	× .36885	396,501
Area 8	1,369,612	× .46823	641,295
Total, District Three	4,009,836	× .46918	1,881,322

Step 5: Adjust the result in Step 4, as required, for inflation or deflation, and calculate projected total economic cost. Based on data from the U.S. Department of Labor's Bureau of Labor Statistics, we

have multiplied the results in Step 4 by a 1.027 inflation factor, reflecting an average inflation rate of 2.7% in "Midwest Economy—Consumer Prices" between 2006 and 2007, the latest years

for which data are available. Table 16 shows this calculation and the projected total economic cost.

TABLE 16—PROJECTED OPERATING EXPENSE, ADJUSTED FOR INFLATION, AND ADDED TO PROJECTED TARGET PILOT COMPENSATION EQUALS PROJECTED TOTAL ECONOMIC COST

Pilotage area	A. Projected operating expense	B. Increase, multiplied by inflation factor (= A × 1.027)	C. Projected target pilot compensation	D. Projected total economic cost (= B + C)
Area 1	\$532,661	\$547,043	\$1,612,431	\$2,159,474
Area 2	547,246	562,021	978,294	1,540,315
Total, District One	1,079,585	1,108,734	2,590,725	3,699,790
Area 4	511,609	525,422	782,635	1,308,058
Area 5	796,463	817,967	1,612,431	2,430,398
Total, District Two	1,307,877	1,343,190	2,395,066	3,738,456

TABLE 16—PROJECTED OPERATING EXPENSE, ADJUSTED FOR INFLATION, AND ADDED TO PROJECTED TARGET PILOT COMPENSATION EQUALS PROJECTED TOTAL ECONOMIC COST—Continued

Pilotage area	A. Projected operating expense	B. Increase, multiplied by inflation factor (= A × 1.027)	C. Projected target pilot compensation	D. Projected total economic cost (= B + C)
Area 6	821,898	844,090	1,565,271	2,409,360
Area 7	396,501	407,206	1,074,954	1,482,160
Area 8	641,295	658,610	1,369,612	2,028,221
Total, District Three	1,881,322	1,932,117	4,009,836	5,941,954

Step 6: Divide the result in Step 5 by projected bridge hours to determine total unit costs. Table 17 shows this calculation.

TABLE 17—PROSPECTIVE (TOTAL) UNIT COSTS

Pilotage area	A. Projected total economic cost	B. Projected 2009 bridge hours	Prospective (total) unit costs (A divided by B)
Area 1	\$2,159,474	5,661	\$381.47
Area 2	1,540,315	5,650	272.62
Total, District One	3,699,790	11,311	327.10
Area 4	1,308,058	7,320	178.70
Area 5	2,430,398	5,097	476.83
Total, District Two	3,738,456	12,417	301.08
Area 6	2,409,360	13,406	179.72
Area 7	1,482,160	3,259	454.79
Area 8	2,028,221	11,630	174.40
Total, District Three	5,941,954	28,295	210.00
Overall	13,380,200	52,023	257.19

Step 7: Divide prospective unit costs (total unit costs) in Step 6 by the base period unit costs in Step 1. Table 18 shows this calculation, which expresses the percentage change between the total unit costs and the base unit costs. The results, for each Area, are identical with the percentage increases listed in Table 1.

TABLE 18—PERCENTAGE CHANGE, PROSPECTIVE VS. BASE PERIOD UNIT COSTS

Pilotage area	A. Prospective unit costs	B. Base period unit costs	C. Percentage change from base (A divided by B; result expressed as percentage)
Area 1	\$381.47	\$367.17	3.89
Area 2	272.62	261.03	4.44
Total, District One	327.07	314.15	4.11
Area 4	178.70	170.93	4.54
Area 5	476.83	457.95	4.12
Total, District Two	301.06	288.75	4.26
Area 6	179.72	160.26	12.14
Area 7	454.79	369.54	23.07
Area 8	174.40	170.68	2.18
Total, District Three	210.00	188.14	11.62
Overall	257.19	235.08	9.41

Step 8: Adjust the base period rates by the percentage change in unit costs in Step 7. Table 19 shows this calculation.

TABLE 19—BASE PERIOD RATES ADJUSTED BY PERCENTAGE CHANGE IN UNIT COSTS *

Pilotage	A. Base period rate	B. Percentage change in unit costs	C. Increase in base rate (A × B%)	D. Adjusted rate (A + C, rounded to nearest dollar)
Area		(Multiplying factor)		
Area 1		3.89 (1.0389)		
—Basic pilotage	\$14.94/km, \$26.44/mi		\$0.58/km, \$1.04/mi	\$15.52/km, \$27.48/mi
—Each lock transited	331.03		12.89	343.92
—Harbor movage	1,083.89		42.20	1,126.09
—Minimum basic rate, St. Lawrence River	722.98		28.15	751.12
—Maximum rate, through trip	3,173.51		123.55	3,297.07
Area 2		4.44 (1.0444)		
—6-hr. period	780.23		34.66	814.89
—Docking or undocking	744.24		33.06	777.30
Area 4		4.54 (1.0454)		
—6-hr. period	688.35		31.28	719.63
—Docking or undocking	530.49		24.11	554.60
—Any point on Niagara River below Black Rock Lock	1,354.15		61.53	1,415.68
Area 5 between any point on or in		4.12 (1.0412)		
—Toledo or any point on Lake Erie W. of Southeast Shoal	1,243.75		51.28	1,295.03
—Toledo or any point on Lake Erie W. of Southeast Shoal & Southeast Shoal	2,104.72		86.77	2,191.49
—Toledo or any point on Lake Erie W. of Southeast Shoal & Detroit River	2,732.79		112.66	2,845.45
—Toledo or any point on Lake Erie W. of Southeast Shoal & Detroit Pilot Boat	2,104.72		86.77	2,191.49
—Port Huron Change Point & Southeast Shoal (when pilots are not changed at the Detroit Pilot Boat)	3,665.60		151.12	3,816.72
—Port Huron Change Point & Toledo or any point on Lake Erie W. of Southeast Shoal (when pilots are not changed at the Detroit Pilot Boat)	4,246.60		175.07	4,421.67
—Port Huron Change Point & Detroit River	2,753.85		113.53	2,867.38
—Port Huron Change Point & Detroit Pilot Boat	2,141.88		88.30	2,230.18
—Port Huron Change Point & St. Clair River	1,522.48		62.77	1,585.25
—St. Clair River	1,243.75		51.28	1,295.03
—St. Clair River & Southeast Shoal (when pilots are not changed at the Detroit Pilot Boat)	3,665.60		151.12	3,816.72
—St. Clair River & Detroit River/Detroit Pilot Boat	2,753.85		113.53	2,867.38
—Detroit, Windsor, or Detroit River	1,243.75		51.28	1,295.03
—Detroit, Windsor, or Detroit River & Southeast Shoal	2,104.72		86.77	2,191.49
—Detroit, Windsor, or Detroit River & Toledo or any point on Lake Erie W. of Southeast Shoal	2,732.79		112.66	2,845.45
—Detroit, Windsor, or Detroit River & St. Clair River	2,753.85		113.53	2,867.38
—Detroit Pilot Boat & Southeast Shoal	1,522.48		62.77	1,585.25
—Detroit Pilot Boat & Toledo or any point on Lake Erie W. of Southeast Shoal	2,104.72		86.77	2,191.49
—Detroit Pilot Boat & St. Clair River	2,753.85		113.53	2,867.38
Area 6		12.14 (1.1214)		
—6-hr. period	553.62		67.22	620.84
—Docking or undocking	525.88		63.86	589.74
Area 7 between any point on or in		23.07 (1.2307)		
—Gros Cap & De Tour	1,975.83		455.84	2,431.67
—Algoma Steel Corp. Wharf, Sault Ste. Marie, Ont. & De Tour	1,975.83		455.84	2,431.67
—Algoma Steel Corp. Wharf, Sault Ste. Marie, Ont. & Gros Cap	744.10		171.67	915.77
—Any point in Sault Ste. Marie, Ont., except the Algoma Steel Corp. Wharf & De Tour	1,656.11		382.08	2,038.19
—Any point in Sault Ste. Marie, Ont., except the Algoma Steel Corp. Wharf & Gros Cap	744.10		171.67	915.77
—Sault Ste. Marie, MI & De Tour	1,656.11		382.08	2,038.19
—Sault Ste. Marie, MI & Gros Cap	744.10		171.67	915.77
—Harbor movage	744.10		171.67	915.77
Area 8		2.18 (1.0218)		
—6-hr. period	535.92		11.67	547.59

TABLE 19—BASE PERIOD RATES ADJUSTED BY PERCENTAGE CHANGE IN UNIT COSTS *—Continued

Pilotage	A. Base period rate	B. Percentage change in unit costs	C. Increase in base rate (A × B%)	D. Adjusted rate (A + C, rounded to nearest dollar)
Area		(Multiplying factor)		
—Docking or undocking	509.36		11.09	520.45

* Rates for “Cancellation, delay or interruption in rendering services (§ 401.420)” and “Basic Rates and charges for carrying a U.S. pilot beyond the normal change point, or for boarding at other than the normal boarding point (§ 401.428)” are not reflected in this table but have been increased by 9.41% across all areas.

V. Regulatory Analyses

We developed this proposed rule after considering numerous statutes and executive orders related to rulemaking. Below, we summarize our analyses based on 13 of these statutes or executive orders.

A. Regulatory Planning and Review

Executive Order 12866, “Regulatory Planning and Review,” 58 FR 51735, October 4, 1993, requires a determination whether a regulatory action is “significant” and therefore subject to review by the Office of Management and Budget (OMB) and subject to the requirements of the Executive Order. This rulemaking is not significant under Executive Order 12866 and will not be reviewed by OMB.

The Coast Guard is required to conduct an annual review of pilotage rates on the Great Lakes and, if necessary, adjust these rates to align compensation levels between Great Lakes pilots and industry. See the “Background and Purpose” section for a detailed explanation of the legal authority and requirements for the Coast Guard to conduct an annual review and provide possible adjustments of pilotage rates on the Great Lakes. Based on our annual review for this rulemaking, we are proposing an adjustment to the pilotage rates for the 2009 shipping season to generate sufficient revenue to cover allowable expenses, target pilot compensation, and returns on investment.

This proposed rule would implement a 9.41 percent overall rate adjustment for the Great Lakes system over the current rate as adjusted in the 2008 final rule. These adjustments to Great Lakes pilotage rates meet the requirements set forth in 46 CFR part 404 for similar compensation levels between Great Lakes pilots and industry. They also include adjustments for inflation and

changes in association expenses to maintain these compensation levels.

In general, we expect an increase in pilotage rates for a certain area to result in additional costs for shippers using pilotage services in that area, while a decrease would result in a cost reduction or savings for shippers in that area. This proposed rule would result in a distributional effect that transfers payments (income) from affected shippers (vessel owners and operators) to the Great Lakes’ pilot associations through Coast Guard regulated pilotage rates.

The shippers affected by these rate adjustments are those owners and operators of domestic vessels operating on register (employed in the foreign trade) and owners and operators of foreign vessels on a route within the Great Lakes system. These owners and operators must have pilots or pilotage service as required by 46 U.S.C. 9302. There is no minimum tonnage limit or exemption for these vessels. However, the Coast Guard issued a policy position several years ago stating that the statute applies only to commercial vessels and not to recreational vessels.

Owners and operators of other vessels that are not affected by this proposed rule, such as recreational boats and vessels only operating within the Great Lakes system, may elect to purchase pilotage services. However, this election is voluntary and does not affect the Coast Guard’s calculation of the rate increase and is not a part of our estimated national cost to shippers.

We reviewed a sample of pilot source forms, which are the forms used to record pilotage transactions on vessels, and discovered very few cases of U.S. Great Lakes vessels (*i.e.*, domestic vessels without registry operating only in the Great Lakes) that purchased pilotage services. We found a case where the vessel operator purchased pilotage service in District One to presumably leave the Great Lakes

system. We assume some vessel owners and operators may also choose to purchase pilotage services if their vessels are carrying hazardous substances or were navigating the Great Lakes system with inexperienced personnel. Based on information from the Coast Guard Office of Great Lakes Pilotage, we have determined that these vessels voluntarily chose to use pilots and, therefore, are exempt from pilotage requirements.

We used 2006–2007 vessel arrival data from the Coast Guard’s Marine Inspection, Safety, and Law Enforcement (MISLE) system to estimate the average annual number of vessels affected by the rate adjustment to be 208 vessels that journey into the Great Lakes system. These vessels entered the Great Lakes by transiting through or in part of at least one of the three pilotage Districts before leaving the Great Lakes system. These vessels often make more than one distinct stop, docking, loading, and unloading at facilities in Great Lakes ports. Of the total trips for the 208 vessels, there were approximately 923 annual U.S. port arrivals before the vessels left the Great Lakes system, based on 2006–2007 vessel data from MISLE.

The impact of the rate adjustment to shippers is estimated from the district pilotage revenues. These revenues represent the direct and indirect costs (“economic costs”) that shippers must pay for pilotage services. The Coast Guard sets rates so that revenues equal the estimated cost of pilotage.

We estimate the additional impact (costs or savings) of the rate adjustment in this proposed rule to be the difference between the total projected revenue needed to cover costs based on the 2008 rate adjustment and the total projected revenue needed to cover costs in this proposed rule for 2009. Table 20 details additional costs or savings by area and district.

TABLE 20—RATE ADJUSTMENT AND ADDITIONAL IMPACT OF PROPOSED RULE

[U.S.; non-discounted]¹

	Projected revenue in 2008	Proposed rate change	Projected revenue in 2009	Additional costs or savings of proposed rule ²
Area 1	\$2,078,551	1.0389	\$2,159,474	\$80,923
Area 2	1,474,806	1.0444	1,540,315	65,509
District 1	3,553,357	1.0412	3,699,790	146,433
Area 4	1,251,203	1.0454	1,308,058	56,855
Area 5	2,334,169	1.0412	2,430,398	96,229
District 2	3,585,372	1.0427	3,738,456	153,084
Area 6	2,884,724	0.8352	2,409,360	³ (475,364)
Area 7	1,427,515	1.0383	1,482,160	54,645
Area 8	1,944,032	1.0433	2,028,221	84,189
District 3	6,256,273	0.9498	5,941,954	³ (314,319)

¹ Some values may not total due to rounding.² Additional cost or savings of this rule = 'Projected revenue in 2009' – 'Projected Revenue in 2008'.³ Area 6 incurs a substantial cost savings that results in a net cost savings for pilotage services in District 3 and the system. The sum of the additional impacts from this rulemaking result in a net savings for the system of about \$15,000.

After applying the rate change in this proposed rule, the resulting difference between the projected revenue in 2008 and the projected revenue in 2009 is the annual impact to shippers from this proposed rule. This figure will be equivalent to the total additional payments or savings that shippers will incur for pilotage services from this proposed rule. As discussed earlier, we consider a reduction in payments to be a cost savings.

The impact of the rate adjustment in this proposed rule to shippers varies by area and district. The annual costs of the rate adjustments in Districts 1 and 2 are approximately \$146,000 and \$153,000, respectively, while District 3 will experience an annual savings of approximately \$314,000. To calculate an exact cost or savings per vessel is difficult because of the variation in vessel types, routes, port arrivals, commodity carriage, time of season, conditions during navigation, and preferences for the extent of pilotage services on designated and undesignated portions of the Great Lakes system. Some owners and operators will pay more and some will pay less depending on the distance and port arrivals of their vessels' trips. However, the annual cost or savings reported above does capture all of the additional cost the shippers face as a result of the rate adjustment in this proposed rule.

As Table 20 indicates, all areas will experience an increased annual cost due to this proposed rate change except Area 6, which will experience a savings. The projected savings for Area 6 is approximately \$475,000. This will cause a net savings for District 3, and is due to a decrease in actual bridge hours in

Area 6 from 2008 to 2009. This decrease in bridge hours led to a decrease in the number of pilots needed, from 10 pilots in 2008 to 8 pilots in 2009. This decrease in the number of pilots would reduce the projected revenue needed to cover costs of pilotage services in Area 6.

The effects of a rate adjustment on costs and savings vary by year and area. A decrease in projected expenses for individual areas or districts is common in past pilotage rate adjustments. Most recently, in the 2008 Final Rule, District 2 experienced a decrease in projected expenses due to an adjustment in bridge hours from the 2008 Interim Rule, which led to a savings for that district. However, this savings was not large enough to outweigh the costs to the other districts.

This proposed rate adjustment will result in a savings for District 3 that will outweigh the combined costs of Districts 1 and 2. We measure the impact of this rulemaking by examining the changes in costs to shippers for pilotage services. With savings in District 3 exceeding the combined costs in Districts 1 and 2, the net impact of this rulemaking would be a cost savings for pilotage services in the Great Lakes system.

B. Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601–612), we have considered whether this proposed rule would have a significant economic impact on a substantial number of small entities. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000 people.

We expect entities affected by the proposed rule would be classified under the North American Industry Classification System (NAICS) code subsector 483-Water Transportation, which includes one or all of the following 6-digit NAICS codes for freight transportation: 483111-Deep Sea Freight Transportation, 483113-Coastal and Great Lakes Freight Transportation, and 483211-Inland Water Freight Transportation. According to the Small Business Administration's definition, a U.S. company with these NAICS codes and employing less than 500 employees is considered a small entity.

For the proposed rule, we reviewed recent company size and ownership data from 2006–2007 Coast Guard MISLE data and business revenue and size data provided by Reference USA and Dunn and Bradstreet. We were able to gather revenue and size data or link the entities to large shipping conglomerates for 22 of the 24 affected entities in the United States. We found that large, mostly foreign-owned, shipping conglomerates or their subsidiaries owned or operated all vessels engaged in foreign trade on the Great Lakes. We assume that new industry entrants will be comparable in ownership and size to these shippers.

There are three U.S. entities affected by the proposed rule that receive revenue from pilotage services. These are the three pilot associations that provide and manage pilotage services within the Great Lakes districts. Two of the associations operate as partnerships and one operates as a corporation. These associations are classified with the same NAICS industry classification and small entity size standards described above, but they have far fewer than 500

employees: approximately 65 total employees combined. We expect no adverse impact to these entities from this proposed rule since all associations receive enough revenue to balance the projected expenses associated with the projected number of bridge hours and pilots.

Therefore, the Coast Guard has determined that this proposed rule would not have a significant economic impact on a substantial number of small entities under 5 U.S.C. § 605(b). If you think that your business, organization, or governmental jurisdiction qualifies as a small entity and that this proposed rule would have a significant economic impact on it, please submit a comment to the Docket Management Facility at the address under **ADDRESSES**. In your comment, explain why you think it qualifies and how and to what degree this proposed rule would economically affect it.

C. Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we offer to assist small entities in understanding the proposed rule so that they could better evaluate its effects on them and participate in the rulemaking. If the proposed rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please call Mr. Woo Kim, Great Lakes Pilotage Branch, (CG–54122), U.S. Coast Guard, telephone 202–372–1538 or send him e-mail at Woo.S.Kim@uscg.mil. Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247).

D. Collection of Information

This proposed rule would call for no new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). This rule does not change the burden in the collection currently approved by the Office of Management and Budget (OMB) under OMB Control Number 1625–0086, Great Lakes Pilotage Methodology.

E. Federalism

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on State or local governments and would either preempt State law or impose a substantial direct cost of compliance on them. We have analyzed this rule under that Order and have determined that it does not have implications for federalism because there are no similar State regulations, and the States do not have the authority to regulate and adjust rates for pilotage services in the Great Lakes system.

F. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of \$100,000,000 or more in any one year. Though this rule would not result in such expenditure, we do discuss the effects of this rule elsewhere in this preamble.

G. Taking of Private Property

This rule would not affect a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

H. Civil Justice Reform

This rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

I. Protection of Children

We have analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not create an environmental risk to health or risk to safety that may disproportionately affect children.

J. Indian Tribal Governments

This rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

K. Energy Effects

We have analyzed this rule under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use. We have determined that it is not a “significant energy action” under that order because it is not a “significant regulatory action” under Executive Order 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy. The Administrator of the Office of Information and Regulatory Affairs has not designated it as a significant energy action. Therefore, it does not require a Statement of Energy Effects under Executive Order 13211.

L. Technical Standards

The National Technology Transfer and Advancement Act (NTTAA) (15 U.S.C. 272 note) directs agencies to use voluntary consensus standards in their regulatory activities unless the agency provides Congress, through the Office of Management and Budget, with an explanation of why using these standards would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., specifications of materials, performance, design, or operation; test methods; sampling procedures; and related management systems practices) that are developed or adopted by voluntary consensus standards bodies. This rule does not use technical standards. Therefore, we did not consider the use of voluntary consensus standards.

M. Environment

We have analyzed this proposed rule under Department of Homeland Security Directive 0023.1 and Commandant Instruction M16475.ID, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (NEPA)(42 U.S.C. 4321–4370f), and have made a preliminary determination that this action is one of a category of actions which do not individually or cumulatively have a significant effect on the human environment, and that therefore the proposed rule will be categorically excluded, under figure 2–1, paragraph (34)(a) of the Instruction, from further environmental documentation. Paragraph 34(a) pertains to minor regulatory changes that are editorial or procedural in nature. This rule adjusts rates in accordance with applicable statutory and regulatory mandates. A preliminary “Environmental Analysis Check List” supporting this determination is

available in the docket where indicated under the "Public Participation and Request for Comments" section of this preamble. We seek any comments or information that may lead to discovery of a significant environmental impact from this proposed rule.

List of Subjects in 46 CFR Part 401

Administrative practice and procedure, Great Lakes, Navigation (water), Penalties, Reporting and recordkeeping requirements, Seamen.

For the reasons discussed in the preamble, the Coast Guard proposes to amend 46 CFR Part 401 as follows:

PART 401—GREAT LAKES PILOTAGE REGULATIONS

1. The authority citation for part 401 continues to read as follows:

Authority: 46 U.S.C. 2104(a), 6101, 7701, 8105, 9303, 9304; Department of Homeland Security Delegation No. 0170.1; 46 CFR 401.105 also issued under the authority of 44 U.S.C. 3507.

2. In § 401.405, revise paragraphs (a) and (b), including the footnote to Table (a), to read as follows:

§ 401.405 Basic rates and charges on the St. Lawrence River and Lake Ontario.

* * * * *

(a) Area 1 (Designated Waters):

Service	St. Lawrence River
Basic Pilotage	\$15.52 per Kilometer or \$27.48 per mile ¹
Each Lock Transited	\$344 ¹
Harbor Movage	\$1,126 ¹

¹ The minimum basic rate for assignment of a pilot in the St. Lawrence River is \$751, and the maximum basic rate for a through trip is \$3,298.

(b) Area 2 (Undesignated Waters):

Service	Lake Ontario
Six-Hour Period	\$815
Docking or Undocking	\$777

* * * * *

3. In § 401.407 revise paragraphs (a) and (b), including the footnote to Table (b), to read as follows:

§ 401.407 Basic rates and charges on Lake Erie and the navigable waters from Southeast Shoal to Port Huron, MI.

* * * * *

(a) Area 4 (Undesignated Waters):

Service	Lake Erie (east of southeast Shoal)	Buffalo
Six-Hour Period	\$720	\$720
Docking or Undocking.	\$555	\$555
Any Point on the Niagara River below the Black Rock Lock.	N/A	\$1,416

(b) Area 5 (Designated Waters):

Any point on or in	Southeast Shoal	Toledo or any Point on Lake Erie west of Southeast Shoal	Detroit River	Detroit pilot boat	St. Clair River
Toledo or any port on Lake Erie west of Southeast Shoal	\$2,192	\$1,295	\$2,846	\$2,192	N/A
Port Huron Change Point	¹ \$3,817	¹ \$4,422	\$2,868	\$2,230	\$1,586
St. Clair River	¹ \$3,817	N/A	\$2,868	\$2,868	\$1,295
Detroit or Windsor or the Detroit River	\$2,192	\$2,846	\$1,295	N/A	\$2,868
Detroit Pilot Boat	\$1,585	\$2,192	N/A	N/A	\$2,868

¹ When pilots are not changed at the Detroit Pilot Boat.

4. In § 401.410, revise paragraphs (a), (b), and (c) to read as follows:

§ 401.410 Basic rates and charges on Lakes Huron, Michigan, and Superior, and the St Mary's River.

* * * * *

(a) Area 6 (Undesignated Waters):

Service	Lakes Huron and Michigan
Six-Hour Period	\$621

Service	Lakes Huron and Michigan
Docking or Undocking	\$590

(b) Area 7 (Designated Waters):

Area	De tour	Gros cap	Any harbor
Gros Cap	\$2,432	N/A	N/A
Algoma Steel Corporation Wharf at Sault Ste. Marie Ontario	\$2,432	\$916	N/A
Any point in Sault Ste. Marie, Ontario, except the Algoma Steel Corporation Wharf	\$2,038	\$916	N/A
Sault Ste. Marie, MI	\$2,038	\$916	N/A
Harbor Movage	N/A	N/A	\$916

(c) Area 8 (Undesignated Waters):

Service	Lake Superior
Six-Hour Period	\$548
Docking or Undocking	\$521

§ 401.420 [Amended]

5. In § 401.420—

a. In paragraph (a), remove the number "\$102" and add, in its place, the number "\$112"; and remove the

number "\$1,604" and add, in its place, the number "\$1,755".

b. In paragraph (b), remove the number "\$102" and add, in its place, the number "\$112"; and remove the number "\$1,604" and add, in its place, the number "\$1,755".

c. In paragraph (c)(1), remove the number "\$606" and add, in its place, the number "\$663"; in paragraph (c)(3), remove the number "\$102" and add, in its place, the number "\$112"; and, also

in paragraph (c)(3), remove the number "\$1,604" and add, in its place, the number "\$1,755".

§ 401.428 [Amended]

6. In § 401.428, remove the number "\$618" and add, in its place, the number "\$676".

Dated: April 21, 2009.

James A. Watson,

*Rear Admiral, U.S. Coast Guard, Director of
Prevention Policy.*

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