

1535-0112. We are not making substantive changes to these requirements that would impose additional burdens on auction bidders.

List of Subjects in 31 CFR Part 356

Bonds, Federal Reserve System, Government Securities, Securities.

■ For the reasons stated in the preamble, 31 CFR part 356 is amended as follows:

PART 356—SALE AND ISSUE OF MARKETABLE BOOK-ENTRY TREASURY BILLS, NOTES, AND BONDS (DEPARTMENT OF THE TREASURY CIRCULAR PUBLIC DEBT SERIES NO. 1-93)

■ 1. The authority citation for part 356 continues to read as follows:

Authority: 5 U.S.C. 301; 31 U.S.C. 3102 *et seq.*; 12 U.S.C. 391.

■ 2. Amend § 356.4 by revising the introductory paragraph and paragraph (c) to read as follows:

§ 356.4 What are the book-entry systems in which auctioned Treasury securities may be issued?

There are three book-entry securities systems—the commercial book-entry system, TreasuryDirect®, and legacy Treasury Direct®—into which we issue marketable Treasury securities. We may obtain and transfer securities in these three book-entry systems at their par amount. Par amounts of Treasury inflation-protected securities do not include adjustments for inflation. Securities may be transferred from one system to the other, unless the securities are not eligible to be held in the receiving system. See Department of the Treasury Circular, Public Debt Series No. 2-86, as amended (part 357 of this chapter) and part 363 of this chapter.

* * * * *

(c) *Legacy Treasury Direct.* In this system, we maintain the book-entry securities of account holders directly on the records of the Bureau of the Public Debt, Department of the Treasury. Bids for securities to be held in Legacy Treasury Direct are generally submitted directly to us, although such bids may also be forwarded to us by a depository institution or dealer. From time to time, Treasury may announce that certain securities to be offered will not be eligible for purchase or holding in Legacy Treasury Direct.

Dated: January 12, 2007.

Donald V. Hammond,
Fiscal Assistant Secretary.

[FR Doc. 07-209 Filed 1-16-07; 1:47 pm]

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 51

[EPA-HQ-OAR-2005-0124; FRL-8270-6]

RIN 2060-AN34

Air Quality: Revision to Definition of Volatile Organic Compounds—Exclusion of HFE-7300

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This action revises EPA's definition of volatile organic compounds (VOC) for purposes of preparing State implementation plans (SIPs) to attain the national ambient air quality standards (NAAQS) for ozone under title I of the Clean Air Act (CAA). This revision would add 1,1,1,2,2,3,4,5,5,5-decafluoro-3-methoxy-4-trifluoromethyl-pentane [also known as HFE-7300 or L-14787 or C₂F₅CF(OCH₃)CF(CF₃)₂] to the list of compounds excluded from the definition of VOC on the basis that this compound makes a negligible contribution to tropospheric ozone formation. If you use or produce HFE-7300 and are subject to EPA regulations limiting the use of VOC in your product, limiting the VOC emissions from your facility, or otherwise controlling your use of VOC for purposes related to attaining the ozone NAAQS, then you will not count HFE-7300 as a VOC in determining whether you meet these regulatory obligations. This action may also affect whether HFE-7300 is considered as a VOC for State regulatory purposes, depending on whether the State relies on EPA's definition of VOC. As a result, if you are subject to certain Federal regulations limiting emissions of VOCs, your emissions of HFE-7300 may not be regulated for some purposes.

DATES: This final rule is effective on January 18, 2007.

ADDRESSES: The EPA has established a docket for this action under Docket ID No. EPA-HQ-OAR-2005-0124. All documents in the docket are listed on the www.regulations.gov Web site. Although listed in the index, some information is not publicly available, e.g., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically through www.regulations.gov or in hard copy at the EPA Docket Center, EPA/DC, EPA

West, Room 3334, 1301 Constitution Ave., NW., Washington, DC. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566-1744, and the telephone number for the Air Docket is (202) 566-1742.

FOR FURTHER INFORMATION CONTACT: David Sanders, Office of Air Quality Planning and Standards, Air Quality Strategies and Standards Division (C539-02), Research Triangle Park, NC 27711; telephone (919) 541-3356; fax number (919) 541-0824; or by e-mail at sanders.dave@epa.gov.

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does This Action Apply to Me?

This action applies to you if you are a State that regulates VOC emissions as precursors to ozone formation or if you produce or use HFE-7300 or other compounds for which HFE-7300 may substitute. HFE-7300 has a variety of potential uses including as a heat-transfer fluid and substitute for ozone depleting substances and substances with high global warming potentials, such as hydrofluorocarbons, perfluorocarbons, and perfluoropolyethers. HFE-7300 may be used in azeotropic mixtures for use in coating deposition, cleaning, and lubricating applications.

II. Background

Tropospheric ozone, commonly known as smog, occurs when VOC and nitrogen oxides (NO_x) react in the atmosphere. Because of the harmful health effects of ozone, EPA and State governments limit the amount of VOC and NO_x that can be released into the atmosphere. The VOC's are those compounds of carbon (excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, and ammonium carbonate) which form ozone through atmospheric photochemical reactions. Compounds of carbon (also known as organic compounds) have different levels of reactivity—that is, they do not react at the same speed or do not form ozone to the same extent. It has been EPA's policy that organic compounds with a negligible level of reactivity need not be regulated to reduce ozone. The EPA determines whether a given organic compound has "negligible" reactivity by comparing the compound's reactivity to the reactivity of ethane. The EPA lists these compounds in its regulations (at 40 CFR 51.100(s)) and excludes them from the definition of VOC. The

chemicals on this list are often called "negligibly reactive" organic compounds.

Since 1977 (42 FR 35314), EPA has used the reactivity of ethane as the threshold of negligible reactivity. Compounds that are less reactive than or equally reactive to ethane may be deemed negligibly reactive. Compounds that are more reactive than ethane continue to be considered reactive VOCs and subject to control requirements. The selection of ethane as the threshold compound was based on a series of smog chamber experiments that underlay the 1977 policy.

Since 1977, the primary method for comparing the reactivity of a specific compound to that of ethane has been to compare the k_{OH} values for ethane and the specific compound of interest. The k_{OH} value represents the molar rate constant for reactions between the subject compound (e.g., ethane) and the hydroxyl radical (i.e., OH). This reaction is very important since it is the primary pathway by which most organic compounds initially participate in atmospheric photochemical reaction processes.

III. Petition for Exclusion of HFE-7300

On August 30, 2004, the Performance Chemicals and Fluid Division of the 3M Company submitted to EPA a petition requesting that the compound 1,1,1,2,2,3,4,5,5,5-decafluoro-3-methoxy-4-trifluoromethyl-pentane [also known as HFE-7300 or L-14787 or $C_2F_5CF(OCH_3)CF(CF_3)_2$] be added to the list of compounds which are considered to be negligibly reactive in the definition of VOC at 40 CFR 51.100(s).

HFE-7300 has several potential uses. As a hydrofluoroether (HFE), this compound may be used as an alternative heat-transfer fluid to ozone-depleting substances, such as chlorofluorocarbons (CFCs). Under the Significant New Alternatives Policy (SNAP) program (CAA 612; 40 CFR part 82 subpart G), EPA has identified some HFEs as acceptable substitutes for ozone-depleting compounds, although HFE-7300 has not been specifically identified. Because they do not contain chlorine or bromine, HFEs do not deplete the ozone layer. All HFEs have an ozone depletion potential (ODP) of 0 although some HFEs have high global warming potential (GWP). In its petition, 3M points out that it has suggested HFE-7300 be used to reduce greenhouse gases resulting from emissions of compounds such as hydrofluorocarbons, perfluorocarbons, and perfluoropolyethers in certain applications and, therefore, help reduce global warming potential.

According to a U.S. patent application submitted by 3M Innovative Properties Company, HFE-7300 possesses the capacity to form a myriad of azeotrope mixtures with other organic compounds such as 1-bromopropane, hexamethyldisilazane, isobutyl acetate, methylisobutyl ketone, trans-1,2-dichloroethylene, and trifluoromethylbenzene which may not be exempt from VOC regulation. The patent application indicated that the azeotrope mixtures can be formulated at compositions of HFE-7300 ranging from 1 to 100 percent, depending on the organic co-solvent and the desired properties of the azeotrope. This patent application lists a broad range of processes and applications where these azeotropes can be used. Some of these azeotrope uses include: (1) Coating deposition applications, where the azeotrope functions as a carrier for a coating material, (2) heat-transfer fluids in heat-transfer processes, (3) to clean organic and/or inorganic substrates, and (4) to formulate working fluids or lubricants for machinery operations and manufacturing processes.

In support of their petition, 3M Company supplied information on the photochemical reactivity of HFE-7300. The 3M Company stated that, as a hydrofluoroether, this compound is very similar in structure, toxicity, and atmospheric properties to other compounds such as $C_4F_9OCH_3$, $(CH_3)_2CFCF_2OCH_3$, $C_4F_9OC_2H_5$, $(CH_3)_2CFCF_2OC_2H_5$, $n-C_3F_7OCH_3$, and $C_3F_7CF(OC_2H_5)CF(CF_3)_2$ which are exempt from the VOC definition.

Other information submitted by 3M Company consists mainly of a peer-reviewed article entitled "Atmospheric Chemistry of Some Fluoroethers," Guschin, Molina, Molina: Massachusetts Institute of Technology, May 1998, which has been submitted to the docket. This article discusses a study in which the rate constant for the reaction of the subject compound with the OH radical (k_{OH} value) is shown to be 1.5×10^{-14} $cm^3/molecule/sec$ at 25 °C. This is less than the k_{OH} value for ethane, 2.4×10^{-13} $cm^3/molecule/sec$ at 25 °C, and slightly more than that for methane.

The scientific information which the petitioner has submitted in support of the petition has been added to the docket for this rulemaking. This information includes references for the journal articles where the rate constant values are published.

The EPA has included the 3M Company Material Safety Data Sheet for HFE-7300 indicating the compound as having low toxicity. This information has been placed in the docket.

IV. EPA Response to the Petition

The information provided by the petitioner demonstrates that HFE-7300 meets the criteria that the EPA has established for negligible reactivity based on a comparison of k_{OH} values. Therefore, on February 9, 2006 (71 FR 6729), the EPA proposed adding 1,1,1,2,2,3,4,5,5,5-decafluoro-3-methoxy-4-trifluoromethyl-pentane (or HFE-7300) to the list of compounds appearing in 40 CFR 51.100(s).

The final applies this compound only in its pure state and does not apply to any of its azeotrope mixtures or organic blends in which any of the other constituents are not VOC exempt compounds. The term "pure state" is taken to mean at a composition purity level of at least 99.96 percent by weight of 1,1,1,2,2,3,4,5,5,5-decafluoro-3-methoxy-4-trifluoromethyl-pentane [$C_2F_5CF(OCH_3)CF(CH_3)_2$] (cited in the patent application 10/739,231 published on June 23, 2005 titled "Azeotrope-like Compositions and Their Use," Publication Number:US 2005/0137113 A1). For emissions from the use of azeotropic mixtures and organic blends that contain both VOC exempt and non-exempt compounds, the proposed exemption applies to the mass (or weight) fraction of the emissions that consists of VOC exempt compounds.

The EPA received no comments on this proposal.

V. Final Action

This final action is based on EPA's review of the material in Docket No. EPA-HQ-OAR-2005-0124. The EPA hereby will amend its definition of VOC at 40 CFR 51.100(s) to exclude HFE-7300 as VOC for ozone SIP and ozone control purposes. States are not obligated to exclude from control as a VOC those compounds that EPA has found to be negligibly reactive. States may not take credit for controlling this compound in their ozone control strategy.

VI. Statutory and Executive Order Reviews

A. Executive Order 12866: Regulatory Planning and Review

This action is not a "significant regulatory action" under the terms of Executive Order (EO) 12866 (58 FR 51735, October 4, 1993) and is therefore not subject to review under the EO.

B. Paperwork Reduction Act

This action does not contain any information collection requirements subject to OMB review under the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.* It does not contain any

recordkeeping or reporting requirements.

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply, with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

An Agency does not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. The control numbers for EPA's regulations are listed in 40 CFR part 9.

C. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) generally requires an agency to prepare a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements under the Administrative Procedure Act or any other statute unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small organizations, and small governmental jurisdictions.

For purposes of assessing the impacts of this rule on small entities, small entity is defined as: (1) A small business as defined by the Small Business Administration's (SBA) regulations at 13 CFR 121.201; (2) a small governmental jurisdiction that is a government of a city, county, town, school district or special district with a population of less than 50,000; and (3) a small organization that is any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.

After considering the economic impacts of this final rule on small entities, I certify that this action will not have a significant economic impact on a substantial number of small entities. In determining whether a rule has a significant economic impact on a substantial number of small entities, the impact of concern is any significant *adverse* economic impact on small entities, since the primary purpose of

the regulatory flexibility analyses is to identify and address regulatory alternatives "which minimize any significant economic impact of the rule on small entities." 5 U.S.C. 603 and 604. Thus, an agency may certify that a rule will not have a significant economic impact on a substantial number of small entities if the rule relieves regulatory burden, or otherwise has a positive economic effect on all of the small entities subject to the rule.

This final rule will revise EPA's definition of VOC for purposes of preparing SIPs to attain the NAAQS for ozone under title I of the CAA. This final rule revision adds 1,1,1,2,2,3,4,5,5,5-decafluoro-3-methoxy-4-trifluoromethyl-pentane [also known as HFE-7300 or L-14787 or $C_2F_5CF(OCH_3)CF(CF_3)_2$] to the list of compounds excluded from the definition of VOC on the basis that this compound makes a negligible contribution to tropospheric ozone formation.

D. Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104-4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and Tribal governments and the private sector. Under section 202 of the UMRA, EPA generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with "Federal mandates" that may result in expenditures to State, local, and Tribal governments, in the aggregate, or to the private sector, of \$100 million or more in any 1 year. Before promulgating an EPA rule for which a written statement is needed, section 205 of the UMRA generally requires EPA to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, most cost-effective or least burdensome alternative that achieves the objectives of the rule. The provisions of section 205 do not apply when they are inconsistent with applicable law. Moreover, section 205 allows EPA to adopt an alternative other than the least costly, most cost-effective or least burdensome alternative if the Administrator publishes with the final rule an explanation why that alternative was not adopted. Before EPA establishes any regulatory requirements that may significantly or uniquely affect small governments, including Tribal governments, it must have developed under section 203 of the UMRA a small government agency plan. The plan must provide for notifying potentially affected small governments, enabling

officials of affected small governments to have meaningful and timely input in the development of EPA regulatory proposals with significant Federal intergovernmental mandates, and informing, educating, and advising small governments on compliance with the regulatory requirements.

The EPA has determined that this rule does not contain a Federal mandate that may result in expenditures of \$100 million or more for State, local, and Tribal governments, in the aggregate, or the private sector in any 1 year. Since this final rule is deregulatory in nature and does not impose a mandate upon any source, this rule is not estimated to result in the expenditure by State, local and Tribal governments or the private sector of \$100 million in any 1 year. Therefore, the Agency has not prepared a budgetary impact statement or specifically addressed the selection of the least costly, most cost-effective, or least burdensome alternative. Because small governments will not be significantly or uniquely affected by this rule, the Agency is not required to develop a plan with regard to small governments. Thus, this rule is not subject to the requirements of sections 202, 203 and 205 of the UMRA.

E. Executive Order 13132: Federalism

Executive Order 13132, entitled "Federalism" (64 FR 43255, August 10, 1999), requires EPA to develop an accountable process to ensure "meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications." "Policies that have federalism implications" is defined in the Executive Order to include regulations that have "substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government."

This final action addressing the exemption of a chemical compound from the VOC definition does not have federalism implications. It will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132. This action does not impose any new mandates on State or local governments. Thus, Executive Order 13132 does not apply to this rule. In the spirit of Executive Order 13132, and consistent with EPA policy to promote communications between EPA and State and local governments, EPA had specifically solicited comment on

the proposed rule for this action from State and local officials, but the EPA received no comments.

F. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

Executive Order 13175, entitled "Consultation and Coordination with Indian Tribal Governments" (65 FR 67249, November 6, 2000), requires EPA to develop an accountable process to ensure "meaningful and timely input by tribal officials in the development of regulatory policies that have tribal implications." "Policies that have tribal implications" is defined in the Executive Order to include regulations that have "substantial direct effects on one or more Indian tribes, on the relationship between the Federal government and the Indian tribes, or on the distribution of power and responsibilities between the Federal government and Indian tribes."

This final rule does not have Tribal implications. It will not have substantial direct effects on Tribal governments, 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, as specified in Executive Order 13175. This action does not have any direct effects on Indian Tribes. Thus, Executive Order 13175 does not apply to this rule. In the spirit of Executive Order 13175, and consistent with EPA policy to promote communications between EPA and Tribal governments, EPA specifically solicits additional comment on this final rule from Tribal officials, but EPA received no comments.

G. Executive Order 13045: Protection of Children From Environmental Health and Safety Risks

Executive Order 13045: "Protection of Children from Environmental Health Risks and Safety Risks" (62 FR 19885, April 23, 1997) applies to any rule that: (1) Is determined to be "economically significant" as defined under Executive Order 12866, and (2) concerns an environmental health or safety risk that EPA has reason to believe may have a disproportionate effect on children. If the regulatory action meets both criteria, the Agency must evaluate the environmental health or safety effects of the planned rule on children, and explain why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the Agency.

While this final rule is not subject to the Executive Order because it is not

economically significant as defined in Executive Order 12866, EPA has reason to believe that ozone has a disproportionate effect on active children who play outdoors (62 FR 38856; 38859, July 18, 1997). The EPA has not identified any specific studies on whether or to what extent the chemical compound may affect children's health. EPA has placed the available data regarding the health effects of this chemical compound in Docket No. EPA-HQ-OAR-2005-0124. In the proposed rule, the EPA invited the public to submit or identify peer-reviewed studies and data, of which EPA may not be aware, that assess results of early life exposure to the chemical compound HFE-7300. No such information was identified.

H. Executive Order 13211: Actions That Significantly Affect Energy Supply, Distribution, or Use

This final rule is not subject to Executive Order 13211, "Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use" (66 FR 28355, May 22, 2001) because it is not a significant regulatory action under Executive Order 12866.

I. National Technology Transfer Advancement Act

As noted in the proposed rule, Section 12(d) of the National Technology Transfer Advancement Act of 1995 ("NTTAA"), Public Law 104-113, section 12(d), (15 U.S.C. 272 note) directs EPA to use voluntary consensus standards in its regulatory activities unless to do so would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., materials specifications, test methods, sampling procedures, and business practices) that are developed or adopted by voluntary consensus standards bodies. The NTTAA directs EPA to provide Congress, through OMB, with explanations when the Agency decides not to use available and applicable voluntary consensus standards.

This rulemaking does not involve technical standards. Therefore, EPA is not considering the use of any voluntary consensus standards.

J. Congressional Review Act

The Congressional Review Act, 5 U.S.C 801 et seq., as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the

Congress and to the Comptroller General of the United States. Section 804 exempts from section 801 the following types of rules: (1) Rules of particular applicability; (2) rules relating to agency management or personnel; and (3) rules of agency organization, procedure, or practice that do not substantially affect the rights or obligations of non-agency parties. 5 U.S.C. 804(3). The EPA is not required to submit a rule report regarding this action under section 801 because this is a rule of particular applicability to manufacturers and users of this specific exempt chemical compound. This action is not a "major rule" as defined by 5 U.S.C. 804(2). Therefore, this rule will be effective upon publication in the **Federal Register**.

List of Subjects in 40 CFR Part 51

Environmental protection, Administrative practice and procedure, Air pollution control, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Dated: January 11, 2007.

Stephen L. Johnson,
Administrator.

■ For reasons set forth in the preamble, part 51 of chapter I of title 40 of the Code of Federal Regulations is amended as follows:

PART 51—REQUIREMENTS FOR PREPARATION, ADOPTION, AND SUBMITTAL OF IMPLEMENTATION PLANS

■ 1. The authority citation for part 51 continues to read as follows:

Authority: 23 U.S.C. 101; 42 U.S.C. 7401-7641q.

§ 51.100 [Amended]

■ 2. Section 51.100 is amended at the end of paragraph (s)(1) introductory text by removing the words "and methyl formate (HCOOCH₃), and perfluorocarbon compounds which fall into these classes;" and adding in their place the words; "methyl formate (HCOOCH₃), (1) 1,1,1,2,2,3,4,5,5,5-decafluoro-3-methoxy-4-trifluoromethyl-pentane (HFE-7300) and perfluorocarbon compounds which fall into these classes:"

[FR Doc. E7-638 Filed 1-17-07; 8:45 am]

BILLING CODE 6560-50-P