

You may also view copies of this notice of proposed rulemaking, all related petitions, maps and other supporting materials, and any electronic or mailed comments that TTB receives about this proposal by appointment at the TTB Information Resource Center, 1310 G Street NW, Washington, DC 20005. You may also obtain copies at 20 cents per 8.5-x11-inch page. Please note that TTB is unable to provide copies of USGS maps or other similarly-sized documents that may be included as part of the AVA petition. Contact TTB's information specialist at the above address or by telephone at 202-453-2265 to schedule an appointment or to request copies of comments or other materials.

### Regulatory Flexibility Act

TTB certifies that this proposed regulation, if adopted, would not have a significant economic impact on a substantial number of small entities. The proposed regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of an AVA name would be the result of a proprietor's efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

### Executive Order 12866

It has been determined that this proposed rule is not a significant regulatory action as defined by Executive Order 12866 of September 30, 1993. Therefore, no regulatory assessment is required.

### Drafting Information

Karen A. Thornton of the Regulations and Rulings Division drafted this notice of proposed rulemaking.

### List of Subjects in 27 CFR Part 9

Wine.

### Proposed Regulatory Amendment

For the reasons discussed in the preamble, TTB proposes to amend title 27, chapter I, part 9, Code of Federal Regulations, as follows:

### PART 9—AMERICAN VITICULTURAL AREAS

■ 1. The authority citation for part 9 continues to read as follows:

Authority: 27 U.S.C. 205.

### Subpart C—Approved American Viticultural Areas

■ 2. Section 9.59 is amended by revising paragraphs (c) introductory text and (c)(1), redesignating paragraphs (c)(2)

through (c)(21) as paragraphs (c)(3) through (c)(22), and adding new paragraph (c)(2) to read as follows:

#### § 9.59 Arroyo Seco.

\* \* \* \* \*

(c) *Boundaries.* The Arroyo Seco viticultural area is located in Monterey County, California. The beginning point is found on the "Sycamore Flat" U.S.G.S. map at the intersection of Jamesburg Road (known locally as Carmel Valley Road) and Arroyo Seco Road, near the intersection of sections 21, 22, 28, and 27, T.19 S., R. 5 E. From the beginning point, proceed southwesterly along Arroyo Seco Road to its intersection with Piney Creek.

(1) Then southeasterly along Piney Creek to its confluence with the Arroyo Seco in section 27, T. 19 S., R. 5 E.

(2) Then northerly along the Arroyo Seco to its intersection with the southern boundary of section 22, T. 19 S., R 5 E.

\* \* \* \* \*

Signed: November 30, 2017.

**John J. Manfreda,**  
*Administrator.*

Approved: March 30, 2018.

**Timothy E. Skud,**  
*Deputy Assistant Secretary (Tax, Trade, and Tariff Policy).*

[FR Doc. 2018-07093 Filed 4-5-18; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Alcohol and Tobacco Tax and Trade Bureau

#### 27 CFR Part 9

[Docket No. TTB-2018-0006; Notice No. 175]

RIN 1513-AC39

### Proposed Establishment of the Van Duzer Corridor Viticultural Area and Clarification of the Eola-Amity Hills Viticultural Area Boundary Description

**AGENCY:** Alcohol and Tobacco Tax and Trade Bureau, Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Alcohol and Tobacco Tax and Trade Bureau (TTB) proposes to establish the approximately 59,871-acre "Van Duzer Corridor" viticultural area in portions of Polk and Yamhill Counties, Oregon. The proposed viticultural area lies entirely within the existing Willamette Valley viticultural area. TTB also is proposing to clarify the boundary description of the adjacent Eola-Amity Hills viticultural area. TTB designates viticultural areas to allow

vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. TTB invites comments on this proposed addition to its regulations.

**DATES:** Comments must be received by June 5, 2018.

**ADDRESSES:** Please send your comments on this notice to one of the following addresses:

- *Internet:* <http://www.regulations.gov> (via the online comment form for this notice as posted within Docket No. TTB-2018-0006 at "[Regulations.gov](http://www.Regulations.gov)," the Federal e-rulemaking portal);

- *U.S. Mail:* Director, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW, Box 12, Washington, DC 20005; or
- *Hand delivery/courier in lieu of mail:* Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW, Suite 400, Washington, DC 20005.

See the Public Participation section of this notice for specific instructions and requirements for submitting comments, and for information on how to request a public hearing or view or obtain copies of the petition and supporting materials.

### FOR FURTHER INFORMATION CONTACT:

Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW, Box 12, Washington, DC 20005; phone 202-453-1039, ext. 175.

### SUPPLEMENTARY INFORMATION:

#### Background on Viticultural Areas

##### *TTB Authority*

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary has delegated various authorities through Treasury Department Order 120-01, dated December 10, 2013, (superseding Treasury Order 120-01, dated January 24, 2003), to the TTB Administrator to perform the functions and duties in the administration and enforcement of these provisions.

Part 4 of the TTB regulations (27 CFR part 4) authorizes TTB to establish definitive viticultural areas and regulate the use of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth standards for the preparation and submission of petitions for the establishment or modification of American viticultural areas (AVAs) and lists the approved AVAs.

#### Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features, as described in part 9 of the regulations, and a name and a delineated boundary, as established in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to the wine's geographic origin. The establishment of AVAs allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of an AVA is neither an approval nor an endorsement by TTB of the wine produced in that area.

#### Requirements

Section 4.25(e)(2) of the TTB regulations (27 CFR 4.25(e)(2)) outlines the procedure for proposing an AVA and provides that any interested party may petition TTB to establish a grape-growing region as an AVA. Section 9.12 of the TTB regulations (27 CFR 9.12) prescribes the standards for petitions for the establishment or modification of AVAs. Petitions to establish an AVA must include the following:

- Evidence that the area within the proposed AVA boundary is nationally or locally known by the AVA name specified in the petition;
- An explanation of the basis for defining the boundary of the proposed AVA;
- A narrative description of the features of the proposed AVA affecting viticulture, such as climate, geology, soils, physical features, and elevation, that make the proposed AVA distinctive and distinguish it from adjacent areas outside the proposed AVA;
- The appropriate United States Geological Survey (USGS) map(s) showing the location of the proposed AVA, with the boundary of the proposed AVA clearly drawn thereon;
- An explanation of the proposed AVA is sufficiently distinct from an

existing AVA so as to warrant separate recognition, if the proposed AVA is to be established within, or overlapping, an existing AVA; and

- A detailed narrative description of the proposed AVA boundary based on USGS map markings.

#### Van Duzer Corridor Petition

TTB received a petition from Mr. Jeff Havlin, the owner of Havlin Vineyard and chair of the Van Duzer Corridor AVA Committee, on behalf of himself and other local grape growers and vintners, proposing the establishment of the "Van Duzer Corridor" AVA.

The proposed Van Duzer Corridor AVA is located in Oregon and covers portions of Yamhill and Polk Counties which are north-northwest of the city of Salem and northeast of the city of Dallas. The proposed AVA lies entirely within the established Willamette Valley AVA (27 CFR 9.90) and does not overlap any other existing or proposed AVA. The proposed Van Duzer Corridor AVA covers approximately 59,871 acres and contains 6 wineries and 17 commercially-producing vineyards that cover a total of approximately 1,000 acres.

The distinguishing features of the proposed Van Duzer Corridor AVA are its topography, climate, and soils. Unless otherwise noted, all information and data pertaining to the proposed AVA contained in this document are from the petition for the proposed Van Duzer Corridor AVA and its supporting exhibits.

#### Name Evidence

The proposed Van Duzer Corridor AVA takes its name from a natural break in Oregon's Coastal Ranges which border the western side of the Willamette Valley.<sup>1</sup> Although the Coastal Ranges create a barrier to air moving inland, this gap creates a wind corridor by providing an opening for cool, moist Pacific Ocean air to flow eastward into the Willamette Valley. An Oregon real estate site notes that temperatures in the Willamette Valley are cooled by breezes moving through "the Van Duzer Corridor, which runs from Lincoln City on the coast to Salem in the Valley."<sup>2</sup> The dining and

<sup>1</sup> The proposed Van Duzer Corridor AVA is distinct from the H.B. Van Duzer Forest State Scenic Corridor. Both the proposed AVA and the H.B. Van Duzer Forest State Scenic Corridor derive their name from the late Henry Brooks Van Duzer, a former Chairman of the Oregon State Highway Commission. See *H.B. Van Duzer Forest State Scenic Corridor—History/FAQ*, Oregon State Parks, [http://oregonstateparks.org/index.cfm?do=parkPage.dsp\\_parkHistory&parkId=160](http://oregonstateparks.org/index.cfm?do=parkPage.dsp_parkHistory&parkId=160); see also <http://www.princeofpinot.com/article/760>.

<sup>2</sup> <http://www.buccolagroup.com/region/willamette-valley/about>.

culinary page of a travel site dedicated to the Salem area encourages readers to "[h]ead west along Highway 22 to loop through the Van Duzer Corridor. Here vines get the benefit of temperate afternoon breezes and cool evenings—perfect growing conditions for exceptional Pinot noir."<sup>3</sup> TTB notes that State Highway 22 forms the southern and southwestern boundaries of the proposed Van Duzer Corridor AVA.

The term "Van Duzer Corridor" also is commonly used by local wine industry members to describe the region of the proposed AVA. For example, an article about Johan Vineyards, which is within the proposed AVA, describes the vineyard's location as "in the southwestern corner of the Van Duzer Corridor."<sup>4</sup> A local entertainment blog posted a story about two wineries within the proposed AVA and stated that the wineries "lie within the Van Duzer Corridor, the gap in the coastal hills bordering Salem \* \* \*."<sup>5</sup> An article featuring Pinot noir wines of the proposed AVA notes, "The influence of the Van Duzer Corridor extends inland to the McMinnville and Eola-Amity Hills appellations as well as the vineyards in the Dallas area of the Willamette Valley."<sup>6</sup> TTB notes that the proposed Van Duzer Corridor AVA is located just north of Dallas, Oregon. Additionally, the established McMinnville AVA (27 CFR 9.181) is due north of the proposed AVA, and the established Eola-Amity Hills AVA (27 CFR 9.202) is adjacent to the proposed AVA's eastern boundary. The website for the St. Innocent Winery, which is located in the established Eola-Amity Hills AVA east of the proposed AVA, states that the Willamette Valley "is affected by winds blowing from the Pacific Ocean through the Van Duzer Corridor eastward. \* \* \* The Eola-Amity Hills AVA is 15 miles due east from the mouth of the Van Duzer Corridor."<sup>7</sup> A map on the St. Innocent Winery's website shows the wine regions of Oregon, and an arrow pointing to the region of the proposed AVA is marked as "Van Duzer Corridor." Finally, a wine blog that features the wines of the Pacific Northwest and western Canada includes an article on the Van Duzer Vineyard, which is located in the proposed AVA, and notes that the vineyard "is planted

<sup>3</sup> <http://www.travelsalem.com/Dining/Dining-Overview>.

<sup>4</sup> <http://www.princeofpinot.com/article/653>.

<sup>5</sup> <http://www.willamettelive.com/2012/news/from-left-coast-to-bethel-heights>.

<sup>6</sup> <http://www.princeofpinot.com/article/760>.

<sup>7</sup> <http://www.stinnocentwine.com/NewFiles/vineyard.html>.

smack dab at the mouth of the Van Duzer Corridor \* \* \*.”<sup>8</sup>

#### Boundary Evidence

The proposed Van Duzer Corridor AVA is a roughly triangular region of low, rolling hills east of the Oregon Coastal Ranges. Each of the proposed AVA's boundaries is drawn to delineate the low elevations of the proposed AVA from the surrounding higher elevations. The proposed northern boundary follows a straight line drawn between marked points on USGS quadrangle maps and separates the proposed AVA from the established McMinnville AVA, which is due north of the proposed AVA but does not share a boundary. The eastern boundary of the proposed AVA is concurrent with the western boundary of the established Eola-Amity Hills AVA and follows a series of roads and the 200-foot elevation contour. The proposed southern boundary runs east-west along a State highway north of the city of Dallas and the community of Rickreall. The proposed western boundary follows a north-south road to separate the proposed AVA from the higher elevations of the Coastal Ranges.

#### Distinguishing Features

The distinguishing features of the proposed Van Duzer Corridor AVA are its soils, topography, and climate.

#### Soils

The soils of the proposed Van Duzer Corridor AVA are primarily uplifted marine sedimentary loams and silts with alluvial overlay, as well as some uplifted basalt. The soils are typically shallow, well-drained, and have a bedrock of siltstone. The primary soil series within the proposed AVA include Helmick, Steiwer, Hazelair, Chehulpum, Helvetia, and Santiam.

According to the petition, the high silt and clay levels cause the soils to be “buffered,” meaning that the soils can absorb increased amounts of added acidic or alkaline substances without affecting the overall pH level of the soil. An increase or decrease in soil pH can affect the way plant roots absorb minerals and nutrients, so the ability of the soils to maintain a stable pH level is beneficial to vineyards within the proposed AVA. The petition also states that the sediments in the soil quickly absorb and “lock up” rainfall, so the vines are less able to uptake water. As a result, if heavy rains occur near harvest time, the grapes are less likely to swell and split due to an excessive

uptake of water. The vines are also less prone to excessive growth or leaf production than vines planted in soils that allow for more uptake of water. According to the petition, a thinner leaf canopy allows more sunlight to reach the ripening fruit, inhibits the growth of mildew and mold by promoting air circulation.

The soils immediately outside the northern and western boundaries of the proposed AVA contain uplifted marine sediments, similar to the soils of the proposed AVA. However, the soils are primarily from different soil series, including Yamhill, Nekia, and Peavine. Moving farther north and west, the soils begin to contain higher concentrations of basalt and other volcanic materials. East of the proposed AVA, within the Eola-Amity Hills AVA, the soils also contain larger amounts of volcanic materials than are found within the proposed AVA, including soils of the Nekia, Jory, and Ritner series. South of the proposed AVA, the soils contain large concentrations of Ice Age loess, which is not commonly found in the proposed AVA.

#### Topography

Within the wind corridor known as the “Van Duzer Corridor,” the topography is characterized by low elevations and gently rolling hills. The low elevations allow cool breezes to flow relatively unimpeded from the Pacific Ocean, through the Coastal Ranges, and into the proposed AVA. For most of its length, the wind corridor known as the “Van Duzer Corridor” is narrow, squeezed by high elevations to the north and south, and there is little room for suitable vineyard sites within this portion of the corridor.

The eastern end of the wind corridor, where the proposed Van Duzer Corridor AVA is located, has the same low elevations and rolling hills as the western portion. However, because the wind corridor widens at its eastern end, there is more room for vineyards. Elevations within the proposed Van Duzer Corridor AVA range from approximately 180 feet to a high point of 589 feet, as shown on the USGS quadrangle maps included with the petition. Because the elevations within the proposed AVA are too low to impede the eastward-flowing marine air, wind speeds are higher within the proposed AVA and temperatures are typically cooler than within the surrounding regions that have higher elevations. Wind speed and temperature and their effects on viticulture will be discussed in more detail later in this document.

To the north of the proposed Van Duzer Corridor AVA, within the established McMinnville AVA, elevations reach up to 1,000 feet. East of the proposed AVA, the higher elevations of the established Eola-Amity Hills AVA form the eastern edge of the wind corridor, reducing the wind speeds and preventing the Pacific air from travelling farther east. Elevations within the Eola-Amity Hills AVA can reach approximately 1,160 feet. South of the proposed Van Duzer Corridor AVA, elevations reach over 700 feet, as shown on the USGS Dallas, Oregon quadrangle map. In the Coastal Ranges west of the proposed AVA, elevations can rise close to 3,000 feet.

#### Climate

The petition to establish the proposed Van Duzer Corridor AVA included information about the region's climate, in particular the wind speed and cumulative growing degree days (GDDs).<sup>9</sup> According to the petition, wind speed and GDD data were not available for the regions to the west and south-southwest of the proposed AVA due to a lack of publicly accessible weather stations.

*Wind speed:* Because the proposed Van Duzer Corridor AVA is located within a wind corridor, the petition states that wind speeds within the proposed AVA are typically higher than in the surrounding regions, where higher elevations block the wind and slow its movement inland. According to the petition, consistently high wind speeds contribute to thicker grape skins, which increase the levels of phenolic compounds in the fruit. Phenolic compounds contribute to the taste, aroma, and mouthfeel of wines. The petition also states that wines made from thicker-skinned grapes often have a darker, richer color than wines made from grapes with thin skins.

The following table summarizes the average growing season<sup>10</sup> wind speeds for a vineyard in the center of the proposed AVA, as well as from McMinnville Municipal Airport (north of the proposed AVA) and the Salem Municipal Airport (south-southeast of the proposed AVA).

<sup>9</sup> In the Winkler climate classification system, annual heat accumulation during the growing season, measured in annual growing degree days (GDDs), defines climatic regions. One GDD accumulates for each degree Fahrenheit that a day's mean temperature is above 50 degrees, the minimum temperature required for grapevine growth. See Albert J. Winkler, *General Viticulture* (Berkeley: University of California Press, 1974), pages 61–64.

<sup>10</sup> Growing season is defined as the period between April 1 and November 1.

<sup>8</sup> <http://www.northwestwineanthem.com/2013/02/mind-gap-van-duzer-vineyards.html>.

| Location                               | Average growing season wind speed<br>(miles per hour) |      |      |      |
|--|---|------|------|------|
|  | 2012  | 2013 | 2014 | 2015 |
| Proposed AVA (Andante Vineyards) ..... | 11.2  | 9.9  | 9.8  | 11.9 |
| McMinnville airport .....              | 5.05  | 4.2  | 5.85 | 6.9  |
| Salem airport .....                    | 6.3   | 4.6  | 6.45 | 8.1  |

*Cumulative growing degree days:* AVA are moderated by the strong Pacific marine breezes. As evidence, the petition includes data on cumulative GDDs for the proposed AVA and surrounding regions, which are shown in the following table.

| Location                               | Cumulative growing degree days |       |       |                     |
|--|--------------------------------|-------|-------|---------------------|
|  | 2012                           | 2013  | 2014  | 2015                |
| Proposed AVA (Andante Vineyards) ..... | 2,080                          | 2,243 | 2,624 | <sup>12</sup> 2,074 |
| McMinnville airport .....              | 2,298                          | 2,369 | 2,819 | 2,753               |
| Salem airport .....                    | 2,360                          | 2,605 | 2,987 | 3,006               |

The table shows that the proposed AVA has lower GDD accumulations than the surrounding regions, indicating that its temperatures are generally cooler. As a result, fruit ripens more slowly, creating a longer hang time than for the same grape varietal grown in a region with higher GDD accumulations. The petition states that a longer hang time reduces acid respiration in the fruit, resulting in wines with balanced acidity levels.

**Summary of Distinguishing Features**

In summary, the topography, soils, wind speed, and cumulative growing degree days of the proposed Van Duzer Corridor AVA distinguish it from the surrounding regions. In all directions from the proposed AVA, elevations are higher. Where climate data is available, from north and east of the proposed AVA, wind speeds are lower and GDD accumulations are higher than within the proposed AVA. With respect to soils, volcanic materials are more common in soils to the north, east, and west of the proposed AVA. South of the proposed AVA, soils contain higher concentrations of Ice Age loess.

*Comparison of the Proposed Van Duzer Corridor AVA to the Existing Willamette Valley AVA*

T.D. ATF-162, which published in the **Federal Register** on December 1, 1983 (48 FR 54220), established the Willamette Valley AVA in northwest Oregon. The Willamette Valley AVA is described in T.D. ATF-162 as a broad alluvial plain surrounded by mountains. Elevations within the AVA generally do not exceed 1,000 feet, which is generally

considered to be the maximum elevation for reliable grape cultivation in the region. Soils are described as primarily silty loams and clay loams.

The proposed Van Duzer Corridor AVA is located in the northwestern portion of the Willamette Valley AVA and shares some broad characteristics with the established AVA. For example, elevations within the proposed AVA are below 1,000 feet, and the soils are primarily silty loams and clay loams.

However, the proposed AVA's location at the eastern end of the only wind gap in the portion of the Coastal Ranges that borders the Willamette Valley AVA creates a unique microclimate. The persistently high wind speeds and lower growing degree day accumulations within the proposed Van Duzer Corridor AVA distinguish the proposed AVA from the surrounding regions within the Willamette Valley AVA. Because of the high wind speeds and lower growing degree day accumulations, grapes grown within the proposed AVA typically have different physical characteristics and maturation rates than the same varietals grown in other parts of the Willamette Valley AVA.

**Clarification of the Eola-Amity Hills AVA Boundary Description**

In this document, TTB also is proposing to make a correction and several clarifications to the boundary description of the existing Eola-Amity Hills AVA (27 CFR 9.202), which is adjacent to the proposed Van Duzer Corridor AVA. The Eola-Amity Hills AVA was established by T.D. TTB-51, which published in the **Federal Register**

on July 17, 2006 (71 FR 40404). Because one of the affected Eola-Amity Hills AVA boundaries is also concurrent with the boundary of the proposed AVA, TTB is proposing these clarifications in this document.

First, TTB is proposing to correct the description of the beginning point for the Eola-Amity Hills AVA boundary in § 9.202(c)(1). This paragraph currently states that the AVA boundary's beginning point is at "the intersection of State Highways 22 and 223," which is located west of the town of Rickreall, Oregon. However, the AVA boundary's intended beginning point, as marked on the Rickreall, Oregon quadrangle map that was included with the original AVA petition, is at the intersection of State Highway 22 and Rickreall Road. This intersection is located farther east along State Highway 22 than the currently-described beginning point. TTB believes the erroneous description of the Eola-Amity Hills boundary beginning point resulted from a misreading of the markings for State Highway 223 on the Rickreall, Oregon map.

TTB believes that Oregon wine industry members always have understood the Eola-Amity Hills AVA boundary to begin at the intersection of State Highway 22 and Rickreall Road. TTB notes that commercially-produced maps of the Eola-Amity Hills AVA show its boundary located at the intersection of State Highway 22 and Rickreall Road. For example, see the Eola-Amity Hills AVA maps posted at <http://eolaamityhills.com/explore-our-region/regional-map/> and <http://www.everyvine.com/wine-regions/>

<sup>11</sup> Due to technical difficulties with the weather station, 2015 data from Adante Vineyards was only available through September 14.

<sup>12</sup> Due to technical difficulties with the weather station, 2015 data from Adante Vineyards was only available through September 14.

*region/Eola\_-\_Amity\_Hills/*. TTB is therefore proposing to amend paragraph (c)(1) to correct the description of the AVA boundary's beginning point.

Second, TTB is proposing to amend the Eola-Amity Hills boundary instructions in § 9.202(c)(12), (13), (15), and (16) for clarity. TTB believes the term "township of Bethel" in current paragraph (c)(12) may be confusing since Bethel appears on the Amity, Oregon map as the name of a crossroads, not as the name of a political or geographic township. Therefore, TTB proposes to remove the word "township" from paragraph (c)(12) and to add a more precise description of the point where the AVA's boundary, following Oak Grove Road, intersects the 200-foot contour line.

In paragraph (c)(13), TTB proposes to clarify the direction in which the Eola-Amity Hills AVA boundary proceeds along the 200-foot contour line from Oak Grove Road, to clarify the point at which that contour line intersects Zena Road, and to clarify that the boundary follows Zena Road for a short distance to its intersection with Oak Grove Road south of Bethel. In paragraph (c)(15), TTB is clarifying that the AVA boundary follows Frizzell Road to the road's first intersection with the 200-foot contour line. In paragraph (c)(16), TTB is clarifying that, in returning to the AVA's boundary's beginning point, the boundary crosses from the Amity, Oregon map onto the Rickreall, Oregon map.

The proposed correction and clarifications are not intended to alter the acreage of the Eola-Amity Hills AVA. TTB believes that the correction and clarifications described above do not affect the location of the AVA's boundary as originally intended by the AVA's petitioners and as it is currently understood by members of the Oregon wine industry. TTB also believes that the correction and clarifications will not affect the ability of any bottler to use the Eola-Amity Hills AVA name on a wine label. However, if any interested party believes the proposed correction or any of the proposed clarifications would affect the location of the AVA's boundary, or would affect their ability to use the Eola-Amity Hills AVA name on a wine label, please submit a comment to TTB as described in the Public Participation section of this notice.

#### **TTB Determination**

TTB concludes that the petition to establish the approximately 59,871-acre Van Duzer Corridor AVA merits consideration and public comment, as

invited in this notice of proposed rulemaking.

#### **Boundary Description**

See the narrative description of the boundary of the petitioned-for AVA in the proposed regulatory text published at the end of this proposed rule.

#### **Maps**

The petitioner provided the required maps, and they are listed below in the proposed regulatory text.

#### **Impact on Current Wine Labels**

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than the wine's true place of origin. For a wine to be labeled with an AVA name, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name, and the wine must meet the other conditions listed in § 4.25(e)(3) of the TTB regulations (27 CFR 4.25(e)(3)). If the wine is not eligible for labeling with an AVA name and that name appears in the brand name, then the label is not in compliance and the bottler must change the brand name and obtain approval of a new label. Similarly, if the AVA name appears in another reference on the label in a misleading manner, the bottler would have to obtain approval of a new label. Different rules apply if a wine has a brand name containing an AVA name that was used as a brand name on a label approved before July 7, 1986. See § 4.39(i)(2) of the TTB regulations (27 CFR 4.39(i)(2)) for details.

If TTB establishes this proposed AVA, its name, "Van Duzer Corridor," will be recognized as a name of viticultural significance under § 4.39(i)(3) of the TTB regulations (27 CFR 4.39(i)(3)). The text of the proposed regulation clarifies this point. Consequently, wine bottlers using the name "Van Duzer Corridor" in a brand name, including a trademark, or in another label reference as to the origin of the wine, would have to ensure that the product is eligible to use the AVA name as an appellation of origin if this proposed rule is adopted as a final rule. TTB is not proposing "Van Duzer," standing alone, as a term of viticultural significance if the proposed AVA is established, in order to avoid a potential conflict with a current label holder. Accordingly, the proposed part 9 regulatory text set forth in this document specifies only the full name "Van Duzer Corridor" as a term of viticultural significance for purposes of part 4 of the TTB regulations.

The approval of the proposed Van Duzer Corridor AVA would not affect any existing AVA, and any bottlers

using "Van Duzer Corridor" as an appellation of origin or in a brand name for wines made from grapes grown within the Van Duzer Corridor AVA would not be affected by the establishment of this new AVA. The establishment of the proposed Van Duzer Corridor AVA would allow vintners to use "Van Duzer Corridor" and "Willamette Valley" as appellations of origin for wines made from grapes grown within the proposed Van Duzer Corridor AVA, if the wines meet the eligibility requirements for the appellation.

#### **Public Participation**

##### *Comments Invited*

TTB invites comments from interested members of the public on whether it should establish the proposed AVA. TTB is also interested in receiving comments on the sufficiency and accuracy of the name, boundary, soils, climate, and other required information submitted in support of the petition. In addition, given the proposed Van Duzer Corridor AVA's location within the existing Willamette Valley AVA, TTB is interested in comments on whether the evidence submitted in the petition regarding the distinguishing features of the proposed AVA sufficiently differentiates it from the existing Willamette Valley AVA. TTB is also interested in comments on whether the geographic features of the proposed AVA are so distinguishable from the surrounding Willamette Valley AVA that the proposed Van Duzer Corridor AVA should no longer be part of that AVA. Please provide any available specific information in support of your comments. Finally, TTB is interested in comments on whether the proposed correction and clarifications to the Eola-Amity Hills AVA boundary are accurate and necessary to avoid reader confusion.

Because of the potential impact of the establishment of the proposed Van Duzer Corridor AVA on wine labels that include the term "Van Duzer Corridor" as discussed above under Impact on Current Wine Labels, TTB is particularly interested in comments regarding whether there will be a conflict between the proposed AVA name and currently used brand names. If a commenter believes that a conflict will arise, the comment should describe the nature of that conflict, including any anticipated negative economic impact that approval of the proposed AVA will have on an existing viticultural enterprise. TTB is also interested in receiving suggestions for ways to avoid

conflicts, for example, by adopting a modified or different name for the AVA.

#### Submitting Comments

You may submit comments on this notice by using one of the following three methods:

- **Federal e-Rulemaking Portal:** You may send comments via the online comment form posted with this notice within Docket No. TTB–2018–0006 on “*Regulations.gov*,” the Federal e-rulemaking portal, at <http://www.regulations.gov>. A direct link to that docket is available under Notice No. 175 on the TTB website at <https://www.ttb.gov/wine/wine-rulemaking.shtml>. Supplemental files may be attached to comments submitted via *Regulations.gov*. For complete instructions on how to use *Regulations.gov*, visit the site and click on the “Help” tab.

- **U.S. Mail:** You may send comments via postal mail to the Director, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW, Box 12, Washington, DC 20005.

- **Hand Delivery/Courier:** You may hand-carry your comments or have them hand-carried to the Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW, Suite 400, Washington, DC 20005.

Please submit your comments by the closing date shown above in this notice. Your comments must reference Notice No. 175 and include your name and mailing address. Your comments also must be made in English, be legible, and be written in language acceptable for public disclosure. TTB does not acknowledge receipt of comments, and TTB considers all comments as originals.

In your comment, please clearly state if you are commenting for yourself or on behalf of an association, business, or other entity. If you are commenting on behalf of an entity, your comment must include the entity’s name, as well as your name and position title. If you comment via *Regulations.gov*, please enter the entity’s name in the “Organization” blank of the online comment form. If you comment via postal mail or hand delivery/courier, please submit your entity’s comment on letterhead.

You may also write to the Administrator before the comment closing date to ask for a public hearing. The Administrator reserves the right to determine whether to hold a public hearing.

#### Confidentiality

All submitted comments and attachments are part of the public record and subject to disclosure. Do not enclose any material in your comments that you consider to be confidential or inappropriate for public disclosure.

#### Public Disclosure

TTB will post, and you may view, copies of this notice, selected supporting materials, and any online or mailed comments received about this proposal within Docket No. TTB–2018–0006 on the Federal e-rulemaking portal, *Regulations.gov*, at <http://www.regulations.gov>. A direct link to that docket is available on the TTB website at [https://www.ttb.gov/wine/wine\\_rulemaking.shtml](https://www.ttb.gov/wine/wine_rulemaking.shtml) under Notice No. 175. You may also reach the relevant docket through the *Regulations.gov* search page at <http://www.regulations.gov>. For information on how to use *Regulations.gov*, click on the site’s “Help” tab.

All posted comments will display the commenter’s name, organization (if any), city, and State, and, in the case of mailed comments, all address information, including email addresses. TTB may omit voluminous attachments or material that the Bureau considers unsuitable for posting.

You may also view copies of this notice, all related petitions, maps and other supporting materials, and any electronic or mailed comments that TTB receives about this proposal by appointment at the TTB Information Resource Center, 1310 G Street NW, Washington, DC 20005. You may also obtain copies at 20 cents per 8.5 x 11 inch page. Please note that TTB is unable to provide copies of USGS maps or other similarly-sized documents that may be included as part of the AVA petition. Contact TTB’s information specialist at the above address or by telephone at 202–453–2270 to schedule an appointment or to request copies of comments or other materials.

#### Regulatory Flexibility Act

TTB certifies that this proposed regulation, if adopted, would not have a significant economic impact on a substantial number of small entities. The proposed regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of a viticultural area name would be the result of a proprietor’s efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

#### Executive Order 12866

It has been determined that this proposed rule is not a significant regulatory action as defined by Executive Order 12866 of September 30, 1993. Therefore, no regulatory assessment is required.

#### Drafting Information

Karen A. Thornton of the Regulations and Rulings Division drafted this notice of proposed rulemaking.

#### List of Subjects in 27 CFR Part 9

Wine.

#### Proposed Regulatory Amendment

For the reasons discussed in the preamble, TTB proposes to amend title 27, chapter I, part 9, Code of Federal Regulations, as follows:

#### PART 9—AMERICAN VITICULTURAL AREAS

■ 1. The authority citation for part 9 continues to read as follows:

**Authority:** 27 U.S.C. 205.

#### Subpart C—Approved American Viticultural Areas

■ 2. Amend § 9.202 by revising paragraphs (c)(1), (12), (13), (15), and (16) to read as follows:

#### § 9.202 Eola-Amity Hills.

\* \* \* \* \*

(c) \* \* \*

(1) The beginning point is on the Rickreall, Oregon, map at the intersection of State Highway 22 and Rickreall Road, near the Oak Knoll Golf Course, in section 50, T7S, R4W;

\* \* \* \* \*

(12) Follow Old Bethel Road, which becomes Oak Grove Road, south until the road intersects the 200-foot contour line approximately 400 feet north of Oak Grove Road’s northern intersection with Zena Road, just northwest of Bethel; then

(13) Follow the 200-foot contour line easterly and then southerly until its first intersection with Zena Road, and then follow Zena Road west approximately 0.25 mile to its southern intersection with Oak Grove Road, south of Bethel; then

\* \* \* \* \*

(15) Follow Frizzell Road west for approximately 0.25 mile to its first intersection with the 200-foot contour line, then

(16) Follow the 200-foot contour line generally south, crossing onto the Rickreall, Oregon, map, until the contour line intersects the beginning point.

■ 3. Subpart C is amended by adding § 9. \_\_\_ to read as follows:

**§ 9. \_\_\_ Van Duzer Corridor.**

(a) *Name.* The name of the viticultural area described in this section is “Van Duzer Corridor”. For purposes of part 4 of this chapter, “Van Duzer Corridor” is a term of viticultural significance.

(b) *Approved maps.* The five United States Geological Survey (USGS) 1:24,000 scale topographic maps used to determine the boundary of the Van Duzer Corridor viticultural area are titled:

(1) Sheridan, Oreg., 1956; revised 1992;

(2) Ballston, Oreg., 1956; revised 1992;

(3) Dallas, Oreg., 1974; photorevised 1986;

(4) Amity, Oreg., 1957; revised 1993; and

(5) Rickreall, Oreg., 1969; photorevised 1976;

(c) *Boundary.* The Van Duzer Corridor viticultural area is located in Polk and Yamhill Counties, in Oregon. The boundary of the Van Duzer Corridor viticultural area is as described below:

(1) The beginning point is on the Sheridan map at the intersection of State Highway 22 and Red Prairie Road. From the beginning point, proceed southeasterly along State Highway 22 for a total of 12.4 miles, crossing over the Ballston and Dallas maps and onto the Rickreall map, to the intersection of the highway with the 200-foot elevation contour west of the Oak Knoll Golf Course; then

(2) Proceed north on the 200-foot elevation contour, crossing onto the Amity map, to the third intersection of the elevation contour with Frizzell Road; then

(3) Proceed east on Frizzell Road for 0.3 mile to the intersection of the road with Oak Grove Road; then

(4) Proceed north along Oak Grove Road for 1.7 miles to the intersection of the road with Zena Road; then

(5) Proceed east on Zena Road for approximately 0.25 mile to the second intersection of the road with the 200-foot elevation contour; then

(6) Proceed northwest along the 200-foot elevation contour to the intersection of the elevation contour with Oak Grove Road; then

(7) Proceed north along Oak Grove Road (which becomes Old Bethel Road) approximately 7.75 miles to the intersection of the road with Patty Lane; then

(8) Proceed west in a straight line for a total of 10.8 miles, crossing over the Ballston map and onto the Sheridan map, to the intersection of the line with State Highway 18; then

(9) Proceed southwest along State Highway 18 for 0.3 miles to the intersection of the highway with Red Prairie Road; then

(10) Proceed south along Red Prairie Road for approximately 5.3 miles, returning to the beginning point.

Signed: November 30, 2017.

**John J. Manfreda,**  
*Administrator.*

Approved: March 30, 2018.

**Timothy E. Skud,**  
*Deputy Assistant Secretary (Tax, Trade, and Tariff Policy).*

[FR Doc. 2018-07089 Filed 4-5-18; 8:45 am]

**BILLING CODE 4810-31-P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 165

[Docket Number USCG-2018-0105]

RIN 1625-AA87

#### Security Zone, Seattle’s Seafair Fleet Week Moving Vessels, Puget Sound, WA

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Coast Guard proposes to amend its Seattle Seafair Fleet Week Moving Vessels Security Zone regulation. This amendment would change the information in annual notices of enforcement that are published both in the **Federal Register** and Local Notice to Mariners. This action is necessary because last minute changes in the vessels participating in the Parade of Ships during Fleet Week prevent the Coast Guard from identifying the designated participating vessels in the **Federal Register** within the allotted timeframe. We invite your comments on this proposed rulemaking.

**DATES:** Comments and related material must be received by the Coast Guard on or before May 21, 2018.

**ADDRESSES:** You may submit comments identified by docket number USCG-2018-0105 using the Federal eRulemaking Portal at <http://www.regulations.gov>. See the “Public Participation and Request for Comments” portion of the **SUPPLEMENTARY INFORMATION** section for further instructions on submitting comments.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this proposed rule, call or email Petty Officer Zachary

Spence, Sector Puget Sound Waterways Management Branch, U.S. Coast Guard; telephone 206-217-6051, email [SectorPugetSoundWWM@uscg.mil](mailto:SectorPugetSoundWWM@uscg.mil).

#### SUPPLEMENTARY INFORMATION:

##### I. Table of Abbreviations

CFR Code of Federal Regulations  
DHS Department of Homeland Security  
FR Federal Register  
NPRM Notice of proposed rulemaking  
§ Section  
U.S.C. United States Code

##### II. Background, Purpose, and Legal Basis

On July 10, 2012 (77 FR 40521), the Coast Guard Captain of the Port, Sector Puget Sound, published a final rule that became effective Aug. 1, 2012; the Seattle’s Seafair Fleet Week Moving Vessels security zone. That final rule establishes a security zone around designated participating vessels that are not protected by the Naval Vessel Protection Zone in Seattle’s Seafair Fleet Week Parade of Ships. Designated participating vessels are named by the Coast Guard each year prior to the event in a **Federal Register** notice, as well as the Local Notice to Mariners. These security zones are necessary to help ensure the security of the vessels from sabotage or other subversive acts.

The purpose of this rulemaking is to amend the information required in the Notice of Enforcement published in the **Federal Register** and Local Notice to Mariner and add the requirement to publish the names of participating vessel in a Broadcast Notice to Mariners before the scheduled event. The Coast Guard proposes this rulemaking under authority in 33 U.S.C. 1231.

##### III. Discussion of Proposed Rule

The Captain of the Port Puget Sound proposes to amend the provisions in 33 CFR 165.1333 regarding information published in the notice of enforcement for the annual security zone for Seattle’s Seafair Fleet Weeks Parade of Ships. Currently, the Coast Guard publishes the names of the vessels participating in the Parade of Ships, in a notice of enforcement at least 3 days prior to the beginning of Seattle’s Seafair. These are military vessels. In past years, some vessels participating in the Parade of Ships changed their plans due to operational needs, and as a result, the changes precluded the Coast Guard from providing sufficient notice in the **Federal Register**. This proposed amendment is necessary because the changing schedules of vessels sometimes makes it impossible to know which vessels will ultimately participate in the Parade of Ships and