advance construction authority, apply to the CMAQ program as well.

Close coordination is needed between the State and MPO to assure that CMAQ funds are used appropriately and to maximize their effectiveness in meeting the Clean Air Act requirements. States and MPOs must fulfill this responsibility so that nonattainment areas are able to make good-faith efforts to attain the NAAQS by the prescribed deadlines. State and MPO actions should include consultation with air quality agencies at the State and local levels to develop an appropriate project list of CMAQ programming priorities which will have the greatest impact on air quality.

C. Apportionments and State Suballocation

According to the ISTEA legislation, CMAQ funds are apportioned to the States primarily based on the severity of their ozone pollution and the number of people affected by it. Each State is guaranteed a minimum of 0.5 percent of the total yearly apportionment even if it has no nonattainment areas.

Under the CMAQ Program as amended by the NHS legislation, States which have ozone nonattainment areas that are classified as ''marginal'' or worse during any part of FY 1994 (October 1, 1993—September 30, 1994) are apportioned funds based on the population in these areas and the severity of the ozone problem at that time. If the ozone nonattainment area was also a CO nonattainment area classified as ''moderate'' or worse during FY 1994, the State is apportioned additional CMAQ funds. If a State contains a CO nonattainment area that was not a nonattainment area for ozone as well, no additional funds are apportioned to the State. Areas redesignated to attainment status before FY 1994 would not be included in the apportionment factors. Changes to nonattainment classifications (from marginal to moderate for example) occurring during FY 1994 would affect the distribution. Any changes occurring before or after FY 1994 will have no effect on the distribution of CMAQ funds for FY 1996 or FY 1997.

The CMAQ funds can be used in all areas designated as nonattainment under Section 107(d) of the Clean Air Act, including any areas later redesignated as maintenance areas. CMAQ funds cannot be used for projects in areas designated as ''transitional,'' ''submarginal,'' or ''incomplete data'' nonattainment areas for ozone or in ''not classified'' nonattainment areas for carbon monoxide.

Despite the statutory formula for determining the apportionment amount, the State can use its CMAQ funds in any ozone, CO or PM–10 (under certain conditions) nonattainment or maintenance area. It is under no statutory obligation to suballocate CMAQ funds in the same way as they were apportioned. States may retain funds for use in specific nonattainment or maintenance areas or fund CMAQ projects on a case-by-case basis. However, it is clear from the program review that there must be a collaborative process between the State and MPOs in nonattainment and maintenance areas for selecting projects to maximize emission reductions. Thus, States are strongly encouraged to consult with affected MPOs to determine CMAQ priorities and allocate funds accordingly.

The Federal share for most eligible activities and projects is 80 percent or 90 percent if used on certain activities on the Interstate System. Under certain conditions (including sliding scale rates), the Federal share under title 23 can even be higher. Certain activities identified in Section 120(c) of title 23, including traffic control signalization, and commuter carpooling and vanpooling, may be funded at 100 percent Federal share if they meet the conditions of that section. Pedestrian and bicycle projects and programs previously limited to an 80 percent Federal share, without the use of sliding scale rates, are now treated exactly the same as general Federal-aid projects (i.e. the Federal share payable on pedestrian and bicycle projects now includes the sliding scale rates) as a result of the NHS legislation. The NHS legislation also makes it easier for States to receive matching credit for donations of privately donated funds, materials, and services on a specific Federal-aid project (see Section III.B.6)

VII. States That Are in Attainment

States that do not have any ozone or CO nonattainment areas may use their funds for any eligible projects under the STP or the CMAQ program. If a State has a maintenance area and no nonattainment areas, the air quality needs of the maintenance area should be given first priority (see Section III.B.4). States with PM–10 areas only are encouraged to use CMAQ funds for projects and programs that contribute to reduction of PM–10 emissions. This priority should be given only if mobile sources are considered significant contributors to such nonattainment.

States that are in attainment or achieve attainment of transportation-related NAAQS, are further encouraged to give priority to the use of CMAQ program funds for the development of congestion management systems, public transportation facilities and equipment, and intermodal facilities and systems, as well as the implementation of projects and programs produced by those systems.

Authority: 23 U.S.C. 315; 49 CFR 1.48.

Rodney E. Slater,

Federal Highway Administrator.

Gordon J. Linton,

Federal Transit Administrator.

Dated: September 20, 1996.

[FR Doc. 96–24793 Filed 9–26–96; 8:45 am]

BILLING CODE 4910–22–P

Research and Special Programs Administration

[Docket No. P–96–8W; Notice 2]

CNG Transmission Corporation; Grant of Waiver

ACTION: Notice of grant of waiver.

Summary

The Research and Special Programs Administration (RSPA) waives specified operations regulations to permit CNG Transmission Corporation (CNGT) to requalify the maximum allowable operating pressure (MAOP) of ten line segments by a combination of hydrostatic testing of certain segments and internal inspection(s) of the 26-inch diameter gas transmission line. The need for requalification of the MAOP results from a recent increase in population density that has caused the hoop stress corresponding to the established MAOP to be incommensurate with the present class locations. The 26-inch diameter portion of transmission line TL–400 is located in central Ohio and the affected line segments (totaling 10.91 miles) are spread throughout the 163.19 mile length.

Background

By a letter dated April 23, 1996, and supplemented by correspondence dated May 2 and May 14, 1996, (cumulatively referred to as the ''petition''), CNGT petitioned RSPA for a waiver from compliance with the requirements of 49 CFR 192.611(a) that require confirmation of the MAOP of the affected segments by hydrostatic testing. Instead, CNGT proposed an alternative approach involving: a close interval pipe-to-soil corrosion survey; certain hydrostatic testing; and the internal inspection(s) of the entire 26-inch diameter transmission line with a geometry pig followed by an

instrumented internal inspection device commonly known as a ''smart pig''. Also, CNGT requested (if needed) the extension of the 18-month period for hydrostatic testing contained in § 192.611(c), from October 19, 1996, to June 30, 1997.

Alternative Approach

Rather than hydrostatically testing all ten affected segments, CNGT requested a waiver permitting an alternative approach which they believed would achieve both an equivalent level of safety in the affected segments and internal inspection(s) that would evaluate the 163.19 mile transmission line. Because of its knowledge of the good physical condition of this line as presented in Notice 1 (described below), CNGT expected that its implementation of the provisions of Alternative A would be less costly and would reduce the number of days that the gas transmission line would be out of service. Nonetheless, CNGT understood that if the physical condition of the line was found to be less than anticipated, its implementation of the provisions of Alternate B would be more costly than total compliance with the hydrostatic testing requirements of 49 CFR 192.611(a). To provide clarity and continuity, the provisions of Alternative A and Alternative B are set out as they appeared in Notice 1:

Alternative A consists of the following:

(A) Conducting a close interval pipe-to-soil corrosion survey (CIS) of the 163.19 mile line;

(A2) Hydrostatic testing four segments (totaling 4.96 miles). If no leak occurs, or only a specified minor leak [1] occurs and is remediated, the hydrostatic testing is completed;

(A3) Inspecting the 163.19 mile line with a geometry pig followed by a high resolution ''smart pig.'' Any defects impacting the MAOP are promptly remediated. All defects detected by the ''smart pig'' are cross-referenced with the CIS to correct any deficiencies in the cathodic protection system, all before October 19, 1996; and

(A4) Inspecting the 163.19 mile line with a geometry pig followed by a high resolution ''smart pig'' remediation of any defects impacting the MAOP, all in the year 2001.

Alternative B would be performed only if, during the implementation of (A2), a leak other than a specified minor leak [2] occurs. Alternative B consists of the following:

(B1) If a leak, other than a specified minor leak occurs during (A2) and is remediated, the hydrostatic testing of the four segments is completed;

(B2) Inspecting the 163.19 mile line with a geometry pig following by a high resolution ''smart pig.'' Any defects impacting the MAOP are promptly remediated. All before October 19, 1996; and

(B3) The period to qualify the MAOP is extended until (B3) is completed. All defects detected by the ''smart pig'' are cross-referenced with the CIS to correct any deficiencies in the cathodic protection system. Hydrostatic testing and remediation of any leaks occurring in the remaining six segments (totaling 5.95 miles), all before June 30, 1997.

Basis for the Alternative Approach

CNGT's proposed alternative approach is based on their contention that this transmission line is in good physical condition. In its petition (and set out under this same heading in Notice 1), CNGT supported that assertion by providing comprehensive information on the transmission line's construction, operation, and maintenance history.

Furthermore, CNGT expressed confidence in the good physical condition of this 26-inch diameter line by agreeing to the potential consequences (during the implementation of Alternative A) of any leak other than a specified minor leak during the hydrostatic testing of (A2); because, such a leak would trigger the need to implement the more costly and time consuming Alternative B. In such a case, under the provisions of (B1) and (B3), CNGT would hydrostatically test all ten segments as required by § 192.611(a). Moreover, under (B2), they would inspect the 163.19 mile transmission line with a geometry pig and with a high resolution ''smart pig.''

RSPA Review

Our review of the petition showed the following:

(1) CNGT's contention that this 26-inch diameter transmission line is in good physical condition was well supported with information on the submerged-arc welded pipe, internal and external coatings, cathodic protection, and (apart from one third party dig-in) the transmission line's outstanding leak free record;

(2) During the period 1990 through 1996, the MAOP of six such segments in this line were requalified by hydrostatic testing without a leak or failure;

(3) The requirements of § 192.611(a) for requalification would be only partially waived during (A2), because four of the ten segments (representing 4.96 miles or a 45.46% sampling of the total 10.91 miles) would be hydrostatically tested;

(4) If a leak, other than a specified minor leak occurs during the hydrostatic testing of (A2), then under (B1) the leak is remediated and under (B3) the remaining six segments would be hydrostatically tested before June 30, 1997. This would (with the extension of the 18-month period in § 192.611(c)) result in total compliance with § 192.611(a). Additionally, during (B2) there would be an internal inspection of the 163.19 mile transmission line during 1996;

(5) If no leak occurred, or only a specified minor leak occurred, under (A3) the complete transmission line would be internally inspected during 1996 and under (A4) internally inspected again during the year 2001;

(6) The implementation of either (A3) or (B2), the ''smart pig'' inspection in 1996, would be the first time the 26-inch diameter line has been inspected by a ''smart pig.'' A ''smart pig'' is capable of detecting certain flaws in the pipe wall that (when interpreted) may disclose defects that jeopardize the safe operation of the gas transmission line . CNGT would run a ''smart pig'' of the high resolution type, which is considered to be state-of-the-art technology for the identification of pipe wall defects;

(7) Defects detected by the ''smart pigs'' would be cross-referenced with the close interval pipe-to-soil corrosion survey to correct any deficiencies in the cathodic protection system; and

(8) The ''smart pig'' runs would be preceded by a geometry pig that is capable of detecting dents in the pipe wall and girth welds.

Notice 1

In response to the CNGT's petition and the justification it contained, RSPA issued a Notice of petition for waiver inviting persons to submit written comments, (Notice 1) (61 FR 35860; July 8, 1996). In that notice, RSPA explained why neither the implementation of Alternate A nor its backup, Alternate B, would be inconsistent with pipeline safety. In fact, we saw the implementation of either alternative as contributing to the safety of the 163.19 mile transmission line.

[1] Specified minor leak—A leak from valve packings, gaskets, threaded fittings, or hydrostatic test equipment; and from localized corrosion pitting on the 26-in line pipe.

[2] Other than a specified minor leak—A leak from a crack, crack-like defects, general corrosion, or from any other source (except localized corrosion pitting) on the 26-inch line pipe.

Discussion of Comments

RSPA received public comments on Notice 1 from six gas pipeline operators and one pipeline related trade association. All seven commenters endorsed the alternative approach proposed by the petitioner and believed that the plan of action would ensure pipeline safety. Two pipeline operators stated that ''CNGT's proposal appears to be an excellent implementation of RSPA's proposed implementation of Risk Based Pipeline Operations procedures.''

Action on Petition

In accordance with the foregoing and by this order, RSPA finds that the requested waiver would not be inconsistent with pipeline safety. However, if during the hydrostatic testing required under Alternative A, a leak other than a specified minor leak occurs, CNGT is required to implement Alternative B. Accordingly, CNGT's petition for waiver from compliance with the requirements of 49 CFR 192.611(a) is granted under the provisions set out in Alternate A and Alternate B (above) under the heading Alternate Approach.

Issued in Washington, DC on September 24, 1996.

Richard B. Felder,

Associate Administrator for Pipeline Safety.

[FR Doc. 96–24863 Filed 9–26–96; 8:45 am]

BILLING CODE 4910–60–P

Surface Transportation Board [1]

[STB Finance Docket No. 33115]

North Coast Railroad Authority—Lease and Operation Exemption—California Northern Railroad Company

Northwestern Pacific Railroad Authority, and Golden Gate Bridge, Highway and Transportation District North Coast Railroad Authority (NCRA), a Class III railroad, has filed a notice of exemption under 49 CFR 1150.41 to acquire by lease and operate approximately 142.2 miles of California Northern Railroad Company (CNRC) line,[2] known as the Northwestern Pacific Line,[3] located in Mendocino, Sonoma, Marin and Napa Counties, CA.[4] In addition, the Northwestern Pacific Railroad Authority and the Golden Gate Bridge, Highway and Transportation District have agreed to grant surface freight and passenger excursion easement to NCRA for a total of 67.9 miles of line (that portion of the Northwestern Pacific Line not owned by NCRA). The line is comprised of four segments: (1) the Willits Segment—extending from NWP milepost 142.5 near Outlet Station to NWP milepost 68.22 near Healdsburg, CA, a distance of approximately 74.3 miles; [5] (2) the Healdsburg Segment—extending from NWP milepost 68.2 near Healdsburg, CA, to NWP milepost 26.96 near Novato, CA, a distance of approximately 41.2 miles; (3) the Novato Segment—extending from NWP milepost 26.96 near Novato, CA, to NWP milepost 25.6 near Ignacio, CA, a distance of approximately 1.4 miles; and (4) the Lombard Segment—extending from NWP milepost 25.6 near Ignacio, CA, to Lombard Station in Napa County, CA, SPM milepost 63.4, a distance of approximately 25.3 miles.

The transaction was scheduled to be consummated on or after the effective date of September 12, 1996.

If the notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke does not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33115, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1201 Constitution Avenue, N.W., Washington, DC 20423. In addition, a copy of each pleading must be served on: Christopher J. Neary, Esq., 110 South Main Street, Suite C, Willits, CA 95490. Telephone: (707) 459–5551.

Decided: September 18, 1996.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 96–24703 Filed 9–26–96; 8:45 am]

BILLING CODE 4915–00–P

[1] The ICC Termination Act of 1995, Pub. L. No. 104–88, 109 Stat. 803, which was enacted on December 29, 1995, and took effect on January 1, 1996, abolished the Interstate Commerce Commission and transferred certain functions to the Surface Transportation Board (Board). This notice relates to functions that are subject to Board jurisdiction pursuant to 49 U.S.C. 10902.

[2] CNRC is assigning to NCRA its rights obtained by Lease Agreement dated August 27, 1993, and amended April 30, 1996, between the Southern Pacific Transportation Company and CNRC.

[3] NCRA will be the operator of the Northwestern Pacific Line and will be doing business under the name ''Northwestern Pacific Railroad.''

[4] NCRA is currently operating over approximately 131.7 miles of the Northwestern Pacific Line under a trackage rights arrangement previously exempted by the Board. *See North Coast Railroad Authority—Trackage Rights Exemption—California Northern Railroad Company,* Finance Docket No. 32994 (STB served July 19, 1996).

[5] Rail line owned by NCRA.

[STB Finance Docket No. 33120]

Connecticut Southern Railroad, Inc.—Acquisition and Operation Exemption—Lines of Consolidated Rail Corporation

Connecticut Southern Railroad, Inc. (CSO), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire and operate 23.1 miles of rail lines in the State of Connecticut from Consolidated Rail Corporation (Conrail) between milepost 0.0, at East Hartford, and milepost 6.7, at East Windsor; between milepost 0.0, at Windsor Locks, and milepost 4.2, at Suffield; between milepost 0.0, at Hartford, and milepost 9.6, at Manchester; and between milepost 0.0, at Hartford, and milepost 2.6, at Wethersfield. In addition, CSO will acquire by assignment Conrail's rail freight easement over 55 miles of rail line owned by the National Railroad Passenger Corporation in the States of Connecticut and Massachusetts between Amtrak milepost 7.0, near North Haven, CT, and Amtrak milepost 62.0, at Springfield, MA.

The transaction is expected to be consummated on September 20, 1996.

This transaction is related to STB Finance Docket No. 33121, *RailTex, Inc.—Continuance in Control Exemption—Connecticut Southern Railroad, Inc.,* wherein RailTex, Inc. has concurrently filed a verified notice to continue in control of CSO, upon its becoming a Class III rail carrier.

If the verified notice contains false or misleading information, the exemption is void *ab initio.* Petitions to reopen the proceeding to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33120, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1201 Constitution Avenue, NW., Washington, DC 20423. In addition, a copy of each pleading must be served on Karl Morell, Esq., Ball, Janik LLP, 1455 F Street, NW., Suite 225, Washington, DC 20005.

Decided: September 18, 1996.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 96–24708 Filed 9–26–96; 8:45 am]

BILLING CODE 4915–00–P