

repayment study. The adjustment will be for each increase of \$1,000,000 to plant in service an increase of \$0.01 per kilowatt per month added to the capacity charge and 0.04 mills per kilowatt-hour added to the energy charge.

Additional rates for Transmission and Ancillary Services provided under this rate schedule shall be the rates charged Southeastern Power Administration by the Company or PJM. Future adjustments to these rates will become effective upon acceptance for filing by the Federal Energy Regulatory Commission of the Company's rate.

Ancillary Services: 3.63 mills per kilowatt-hour of energy as of February 2006, is presented for illustrative purposes.

The initial charge for transmission and ancillary services will be the Customer's ratable share of the charges for transmission, distribution, and ancillary services paid by the Government. The charges for transmission and ancillary services are governed by and subject to refund based upon the determination in proceedings before the Federal Energy Regulatory Commission (FERC) involving the Company's or PJM's Open Access Transmission Tariff (OATT).

Proceedings before FERC involving the OATT or the Distribution charge may result in the separation of charges currently included in the transmission rate. In this event, the Government may charge the Customer for any and all separate transmission, ancillary services, and distribution charges paid by the Government in behalf of the Customer. These charges could be recovered through a capacity charge or an energy charge, as determined by the Government.

Tandem Transmission Charge: \$1.69 per kilowatt of total contract demand per month, as an estimated cost as of February 2006.

The tandem transmission charge will recover the cost of transmitting power from a project to the border of another transmitting system. This rate will be a formula rate based on the cost to the Government for transmission of power from the Philpott project to the border of the Virginia Electric and Power Company System and the cost to the Government for transmission of power from the John H. Kerr Project to the border of the Carolina Power & Light System. These charges could be recovered through a capacity charge or an energy charge, as determined by the Government.

Transmission and Ancillary Services: The charges for Transmission and Ancillary Services shall be governed by and subject to refund based upon the determination in the proceeding involving the Company's or PJM's Open Access Transmission Tariff.

Contract Demand: The contract demand is the amount of capacity in kilowatts stated in the contract which the Government is obligated to supply and the Customer is entitled to receive.

Energy to be Furnished by the Government: The Government will sell to the Customer and the Customer will purchase from the Government energy each billing month equivalent to a percentage specified by contract of the energy made available to the

Company (less applicable losses). The Customer's contract demand and accompanying energy will be allocated proportionately to its individual delivery points served from the Company's system. The applicable energy loss factor for transmission is specified in the OATT.

These losses shall be effective until modified by the Federal Energy Regulatory Commission, pursuant to application by the Company or PJM under Section 205 of the Federal Power Act or Southeastern Power Administration under Section 206 of the Federal Power Act or otherwise.

Billing Month: The billing month for power sold under this schedule shall end at 12 midnight on the last day of each calendar month.

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ENVIRONMENTAL PROTECTION AGENCY

[FRL-8218-7]

State Innovation Grant Program, Preliminary Notice on the Development of a Solicitation for Proposals for 2007 Awards

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The U. S. Environmental Protection Agency, National Center for Environmental Innovation (NCEI) is giving preliminary notice of its intention to solicit proposals for a 2007 grant program to support innovation by state environmental agencies—the "State Innovation Grant Program." In addition, EPA is asking each State Environmental Regulatory Agency to designate a point of contact at the management level (in addition to the Commissioner or Cabinet Secretary level) who will be the point of contact for further communication about the upcoming solicitation. If your point of contact from previous State Innovation Grant solicitations is to be your contact for this year's competition, there is no need to send that information again, as all previously designated points of contact will remain on our notification list for this year's competition. EPA anticipates publication of a Solicitation Announcement of Federal Funding Opportunity on the Federal government's grants opportunities Web site (<http://www.grants.gov>) to announce the availability of the next solicitation approximately four weeks after publication of this announcement.

DATES: State Environmental Regulatory agencies will have 30 days from the date of this pre-announcement notice in the **Federal Register** publication until

October 12, 2006 to respond with point of contact information for the person within the State Environmental Regulatory Agency (in addition to Commissioner or Cabinet Secretaries) who will be designated to receive future notices about the State Innovation Grants. We will automatically transmit notice of availability of the solicitation to people in State agencies identified for previous solicitations.

ADDRESSES: Information should be sent to: State Innovation Grant Program; National Center for Environmental Innovation; Office of Policy, Economics, and Innovation; U.S. Environmental Protection Agency (1807T), 1200 Pennsylvania Avenue, NW., Washington DC 20460. Responses may also be sent by fax to (202) 566-2220, addressed to the "State Innovation Grant Program," or by e-mail to:

Innovation_State_Grants@EPA.gov. We encourage e-mail responses. If you have questions about responding to this notice, please contact EPA at this e-mail address or fax number, or you may call Sherri Walker at (202) 566-2186. For point of contact information, please provide: name, title, department and agency, street or post office address, city, state, zip code, telephone, fax number, and e-mail address. EPA will acknowledge all responses it receives to this notice.

SUPPLEMENTARY INFORMATION:

Background

In April 2002, EPA issued its plan for future innovation efforts, published as *Innovating for Better Environmental Results: A Strategy to Guide the Next Generation of Innovation at EPA* (EPA 100-R-02-002; <http://www.epa.gov/innovation/strategy/>). The Agency's *Innovation Strategy* presents a framework for environmental innovation consisting of four major elements:

- (1) Strengthen EPA's innovation partnership with States;
- (2) Focus on priority environmental issues;
- (3) Diversify environmental protection tools and approaches;
- (4) Foster more "innovation-friendly" organizational culture and systems.

This assistance program strengthens EPA's partnership with the States by supporting innovation compatible with the *Innovation Strategy*. EPA would like to help States build on previous experience and undertake strategic innovation projects that promote larger-scale models for "next generation" environmental protection and promise better environmental results. EPA is interested in funding projects that go

beyond a single facility experiment to promote change that is "systems-oriented" and provides better results from a program, process, or sector-wide innovation. EPA is particularly interested in innovation that promotes integrated (cross-media) environmental management with high potential for transfer to other States.

Since 2002, EPA has sponsored four State Innovation Grant Program competitions that asked for State project pre-proposals that support innovation generally related to environmental permitting programs. This has included alternatives to permitting and the establishment of incentives to go beyond compliance with permit requirements. To date, projects have clustered primarily around three target areas: Environmental Results Programs (ERP), Environmental Management Systems (EMS), and the National Environmental Performance Track (PT) Program and similar state performance-based environmental leadership programs. Twenty-nine awards to States have been made from the four prior competitions. These projects amount to approximately \$5 million in assistance to States. Among the grant projects, including those with pending awards: 14 are for development of Environmental Results Programs, 8 relate to Environmental Management Systems and permitting (one project a hybrid of EMS and ERP), 5 create or enhance Performance-Based Environmental Leadership programs, 2 are for Watershed-based permitting, and 1 was for permit process streamlining through innovative information technology applications. For more information on last year's solicitation, the proposals received, and the award decisions, please see the Web site at: <http://www.epa.gov/innovation/stategrants>.

Proposed General Topic Areas for Solicitation

To increase the likelihood of strategic impact with what we anticipate to be limited funds, EPA proposes to continue with the general theme of "innovation in permitting," and additionally to continue with the focus on the three topic areas similar to the last competition: (1) Projects that support the development of state Environmental Results Programs (ERP); (2) projects which involve the application of Environmental Management Systems (EMS) including those that explore the relationship of EMS to permitting or otherwise promote the use of EMS to improve environmental performance beyond permit requirements (see *EPA's Strategy for Determining the Role of*

EMS in Regulatory Programs at <http://www.epa.gov/ems> or http://www.epa.gov/ems/docs/EMS_and_the_Reg_Structure_41204Fpdf); (3) projects that support state performance-based environmental leadership programs or state support for implementation of the National Environmental Performance Track Program, particularly including the development and implementation of incentives. EPA's focus on a small number of topics within this general subject area effectively concentrates the limited resources available for greater strategic impact. Project selections and awards will be subject to funding availability. In addition, EPA may contemplate a very limited number of projects otherwise related to the general theme of innovation in permitting, in particular as they may address EPA Regional and State environmental permitting priorities.

EPA encourages communication from States about potential thematic areas for the future. Please note that these grants will not be applied to the development or demonstration of new environmental technologies, nor will NCEI fund projects that propose development or upgrading of information technology systems for anything other than a very *minor* component of the project. Projects will be much less likely to be funded through the State Innovation Grant Program if agency resources pertinent to the topic are already available through another EPA program.

Competition Limited to the State Environmental Regulatory Agency

The competition will be limited to the principal Environmental Regulatory Agency within each State, although these agencies are encouraged to partner with other agencies within the State that have environmental mandates (e.g., energy, agriculture, natural management, transportation, public health). EPA will accept only one proposal from an individual State and it must be submitted by the principal Environmental Regulatory Agency from that State. States are also encouraged to partner with other States and Tribes to address cross-boundary issues, to encourage collaborative environmental partnering within industrial sectors or in certain topical areas (e.g., agriculture), and to create networks for peer-mentoring. A multi-state or State-Tribal proposal will be accepted in addition to an individual State proposal, but a State may appear in no more than one multi-State or State-Tribal proposal in addition to its individual proposal. EPA regrets that because of the limitation in available funding it is not yet able to open this competition to

Native American Tribal environmental agencies but we strongly encourage Tribal agencies to join with adjacent States in project proposals.

Request for Designation of a Primary Point of Contact

EPA asks that each State Environmental Regulatory Agency designate a manager as a primary point-of-contact who we will add to the EPA notification list for further announcements about the State Innovation Grant Program. If your point of contact from previous State Innovation Grant solicitations is to be your contact for this year's competition, there is no need to send that information again, as all previously designated points of contact will remain on our notification list for this year's competition. We are asking that any new name be submitted with the approval of the highest levels of management within an Agency (Commissioner, Secretary, or their deputies) within 30 days after publication of this notice in the **Federal Register**. Please submit this information to EPA by mail, fax, or e-mail prior to October 12, 2006 in the following manner.

By mail to: State Innovation Grant Program, National Center for Environmental Innovation, U.S. Environmental Protection Agency (1807T), 1200 Pennsylvania Avenue, NW., Washington, DC 20460.

By fax to: State Innovation Grant Program, (202) 566-2220.

By e-mail to: Innovation_State_Grants@EPA.gov.

We encourage e-mail responses. If you have questions about responding to this notice, please contact EPA at this e-mail address of fax number, or you may call Sherri Walker at (202) 566-2186. For point-of-contact information, please provide: name, title, department and agency, mailing address (street or P.O. Box), city, State, zip code, telephone, fax number, and e-mail address. EPA will acknowledge all responses it receives to this notice.

Opportunity for Dialogue

Between now and the initiation of the competition with the release of the solicitation, States are encouraged to discuss potential projects with their EPA Regional contact to ascertain whether the scope of a potential project is suitable for funding under this program. Responses to questions that come to us during the period between this pre-announcement and the release of the solicitation along with helpful resource materials will be posted on the State Innovation Grant Web site at

<http://www.epa.gov/innovation/stategrants>. States are also invited to communicate with NCEI about ideas for

future competition themes by contacting the EPA Headquarters contact listed below. The contacts for the EPA Regions

and the EPA HQ National Center for Environmental Innovation are as follows:

Anne Leiby, U.S. EPA Region 1, 1 Congress Street, Suite 1100, Boston, MA 02114-2023, (617) 918-1076, leiby.anne@epa.gov, States: CT, MA, ME, NH, RI, VT.

Grace Smith, U.S. EPA Region 2, 290 Broadway, 26th Floor, New York, NY 10007-1866, (212) 637-3589, smith.grace@epa.gov, States & Territories: NJ, NY, PR, VI.

Nicholas DiNardo, U.S. EPA Region 3, 1650 Arch Street (3EA40), Philadelphia, PA 19103, (215) 814-3365, dinardo.nicholas@epa.gov, States: DC, DE, MD, PA, VA, WV.

Bonita Johnson, U.S. EPA Region 4, 61 Forsyth Street, SW., Atlanta, GA 30303, (404) 562-9388, johnson.bonita@epa.gov, States: AL, FL, GA, KY, MS, NC, SC, TN.

Marilou Martin, U.S. EPA Region 5, 77 West Jackson Boulevard, Chicago, IL 60604-3507, (312) 353-9660, martin.marilou@epa.gov, States: IL, IN, MI, MN, OH, WI.

Craig Weeks, U.S. EPA Region 6, Fountain Place, Suite 1200, 1445 Ross Avenue, Dallas, TX 75202-2733, (214) 665-7505, weeks.craig@epa.gov, States: AR, LA, NM, OK, TX.

Chrissy Wolfersberger, U.S. EPA Region 7, 901 North 5th Street, Kansas City, KS 66101, (913) 551-7854, wolfersberger.chris@epa.gov, States: IA, KS, MO, NE.

Whitney Trulove-Cranor, U.S. EPA Region 8, 999 18th Street, Suite 300, Denver, CO 80202-2466, (303) 312-6099, trulove-cranor.whitney@epa.gov, States: CO, MT, ND, SD, UT, WY.

Loretta Barsamian, U.S. EPA Region 9, 75 Hawthorne Street (SPE-1), San Francisco, CA 94105, (415) 947-4268, barsamian.loretta@epa.gov, States and Territories: AS, AZ, CA, GU, HI, NV.

Bill Glasser, U.S. EPA Region 10, 1200 Sixth Avenue (ENF-T), Seattle, WA 98101, (206) 553-7215, glasser.william@epa.gov, States: AK, ID, OR, WA.

Headquarters Office: Sherri Walker, U.S. EPA (MC 1807T), Office of the Administrator, National Center for Environmental Innovation, State Innovation Grants Program, 1200 Pennsylvania Avenue, NW., Washington, DC 20460, (202) 566-2186, (202) 566-2220 fax.

For courier delivery only: Sherri Walker, U.S. EPA, EPA West Building, Room 4214D, 1301 Constitution Avenue, NW., Washington, DC 20005.

Dated: September 6, 2006.

Elizabeth A. Shaw,

Director, Office of Environmental Policy Innovation.

[FR Doc. E6-15082 Filed 9-11-06; 8:45 am]

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ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OAR-2004-0076; FRL-8218-3]

Extension of Comment Period for Notice of Data Availability for EGU NO_x Annual and NO_x Ozone Season Allocations for the Clean Air Interstate Rule Federal Implementation Plan Trading Programs

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice to extend comment period.

SUMMARY: In response to requests from the American Forest and Paper Association, the EPA is extending the comment period for the notice of data availability (NODA) for EGU NO_x Annual and NO_x Ozone Season Allocations for the Clean Air Interstate Rule Federal Implementation Plan

Trading Programs (CAIR FIP) that was published on August 4, 2006 (71 FR 44283) for an additional 30 days. The comment period will now end on October 5, 2006.

DATES: The EPA is establishing a comment period ending on October 5, 2006. Comments must be postmarked by the last day of the comment period and sent directly to the Docket Office listed in **ADDRESSES** (in duplicate form if possible).

ADDRESSES: Submit your objections, identified by Docket Number OAR-2004-0076 by one of the following methods:

A. *Federal Rulemaking Portal:* <http://www.regulations.gov>. Today's action is not a rulemaking but you may use the Federal Rulemaking Portal to submit objections to the NODA. To submit objections, follow the on-line instructions for submitting comments.

B. *Mail:* Air Docket, ATTN: Docket Number OAR-2004-0076, Environmental Protection Agency, Mail Code: 6102T, 1200 Pennsylvania Ave., NW., Washington, DC 20460.

C. *E-mail:* A-AND-R-Docket@epa.gov.

D. *Hand Delivery:* EPA Docket Center, 1301 Constitution Avenue, NW., Room B102, Washington, DC. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

Note: The EPA Docket Center suffered damage due to flooding during the last week of June 2006. The Docket Center is continuing to operate. However, during the cleanup, there will be temporary changes to Docket Center telephone numbers, addresses, and hours of operation for people who wish to make hand deliveries or visit the Public

Reading Room to view documents. Consult EPA's **Federal Register** notice at 71 FR 38147 (July 5, 2006) or the EPA Web site at <http://www.epa.gov/epahome/dockets.htm> for current information on docket operations, locations and telephone numbers. The Docket Center's mailing address for U.S. mail and the procedure for submitting comments to www.regulations.gov are not affected by the flooding and will remain the same.

FOR FURTHER INFORMATION CONTACT:

General questions concerning today's action and technical questions concerning heat input or fuel data should be addressed to Brian Fisher, USEPA Headquarters, Ariel Rios Building, 1200 Pennsylvania Ave., Mail Code 6204 J, Washington, DC 20460. Telephone at (202) 343-9633, e-mail at fisher.brian@epa.gov.

If mailing by courier, address package to Brian Fisher, 1310 L St., NW., RM # 713G, Washington, DC 20005.

SUPPLEMENTARY INFORMATION: Docket:

All documents in the docket are listed in the www.regulations.gov index. 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, will be publicly available only in hard copy. Publicly available docket materials are available either electronically in www.regulations.gov or in hard copy at the EPA Docket Center, EPA West, Room B102, 1301 Constitution Avenue, 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