

ambiguity and to write them to minimize litigation.

b. Would meet the criteria of § 3(b)(2), which requires that we write all regulations in clear language using clear legal standards.

#### 9. Consultation With Indian Tribal Governments (E.O. 13175)

The Department strives to strengthen its government-to-government relationship with the Indian Tribes through a commitment to consultation with the Indian Tribes and recognition of their right to self-governance and Tribal sovereignty. Under the Department's consultation policy and the criteria in E.O. 13175, we evaluated this proposed rule and determined that it would potentially affect Federally-recognized Indian Tribes. We determined that this rule would restore the historical valuation methodology for coal produced from Indian leases. Our previous and planned activities include:

(a) As described in the 2017 Valuation Rule under Procedural Matters, item 9, at 81 FR 43368, we consulted with the affected Tribes on a government-to-government basis in preparing the 2017 Valuation Rule. We also will consult with the affected Tribes about potential repeal of the 2017 Valuation Rule.

(b) We will fully consider Tribal views in the final rule.

#### 10. Paperwork Reduction Act

This proposed rule:

(a) Does not contain any new information collection requirements.

(b) Does not require a submission to OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). See 5 CFR 1320.4(a)(2).

This proposed rule, if promulgated as a final rule, will leave in tack the information collection requirements that OMB already approved under OMB Control Numbers 1012-0004, 1012-0005, and 1012-0010.

#### 11. National Environmental Policy Act of 1969 (NEPA)

This proposed rule would not constitute a major Federal action, significantly affecting the quality of the human environment. We are not required to provide a detailed statement under NEPA because this rule qualifies for categorically exclusion under 43 CFR 46.210(i) in that this is “. . . of an administrative, financial, legal, technical, or procedural nature. . . .” This rule also qualifies for categorically exclusion under Departmental Manual, part 516, section 15.4.(C)(1) in that its impacts are limited to administrative, economic, or technological effects. We also have determined that this rule is

not involved in any of the extraordinary circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA. The procedural changes resulting from the repeal of the 2017 Valuation Rule would have no consequences on the physical environment. This proposed rule would not alter, in any material way, natural resources exploration, production, or transportation.

#### 12. Effects on the Energy Supply (E.O. 13211)

This proposed rule would not be a significant energy action under the definition in E.O. 13211, and, therefore, would not require a Statement of Energy Effects.

#### 13. Clarity of This Regulation

Executive Orders 12866 (section 1(b)(12)), 12988 (section 3(b)(1)(B)), and 13563 (section 1(a)), and the Presidential Memorandum of June 1, 1998, would require us to write all rules in Plain Language. This means that each rule that we publish must: (a) Have logical organization; (b) use the active voice to address readers directly; (c) use clear language rather than jargon; (d) use short sections and sentences; and (e) use lists and tables wherever possible.

If you feel that we have not met these requirements, send your comments to [armand.southall@onrr.gov](mailto:armand.southall@onrr.gov). To better help us revise this rule, make your comments as specific as possible. For example, you should tell us the numbers of the sections or paragraphs that you think we wrote unclearly, which sections or sentences are too long, the sections where you feel lists or tables would be useful, etc.

#### 14. Public Availability of Comments

Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us, in your comment, to withhold your personal identifying information from public view, we cannot guarantee that we will be able to do so.

#### List of Subjects in 30 CFR Parts 1202 and 1206

Coal, Continental shelf, Government contracts, Indian lands, Mineral royalties, Natural gas, Oil, Oil and gas exploration, Public lands—mineral resources, Reporting and recordkeeping requirements.

Dated: March 30, 2017.

**Amy Holley,**

*Acting Assistant Secretary for Policy, Management and Budget.*

[FR Doc. 2017-06617 Filed 4-3-17; 8:45 am]

BILLING CODE 4335-30-P

## DEPARTMENT OF THE INTERIOR

### Office of Natural Resources Revenue

#### 30 CFR Parts 1202 and 1206

[Docket No. ONRR-2017-0002; DS63644000 DR2000000.CH7000 178D0102R2]

RIN 1012-AA21

#### Federal Oil and Gas and Federal and Indian Coal Valuation

**AGENCY:** Office of Natural Resources Revenue (ONRR), Interior.

**ACTION:** Advance Notice of Proposed Rulemaking (ANPRM).

**SUMMARY:** The Office of Natural Resources Revenue (ONRR) requests comments and suggestions from affected parties and the interested public on whether revisions to the regulations governing the valuation, for royalty purposes, of oil and gas produced from Federal onshore and offshore leases and coal produced from Federal and Indian leases, are needed and, if so, what specific revisions should be considered. On July 1, 2016, ONRR published a final rule, *Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform* (2017 Valuation Rule). ONRR subsequently stayed the effective date of that rule pending resolution of litigation. As a result of the stay, the regulations in effect prior to January 1, 2017 (“pre-existing regulations”) remain in effect. In a separate notice, ONRR is seeking comments on a proposed rule to repeal the 2017 Valuation Rule to maintain the *status quo* in which the pre-existing regulations remain in effect while ONRR reconsiders whether changes made by the 2017 Valuation Rule are needed or appropriate.

**DATES:** You must submit your comments by May 4, 2017.

**ADDRESSES:** You may submit comments to ONRR on this ANPRM by any of the following methods. Please reference the Regulation Identifier Number (RIN) 1012-AA21 in your comments.

- **Electronically:** Go to <http://www.regulations.gov>. In the entry titled “Enter Keyword or ID,” enter “ONRR-2017-0002,” then click “Search.” Follow the instructions to submit public comments. We will post all comments.

- Email comments to Luis Aguilar, Regulatory Specialist, at [Luis.Aguilar@onrr.gov](mailto:Luis.Aguilar@onrr.gov).

• Hand-carry or mail comments, using an overnight courier service, to the Office of Natural Resources Revenue, Building 53, Entrance E–20, Denver Federal Center, West 6th Ave. and Kipling St., Denver, Colorado 80225.

**FOR FURTHER INFORMATION CONTACT:** For questions on procedural issues, contact Luis Aguilar, Regulatory Specialist, ONRR, at (303) 231–3418 or email to [Luis.Aguilar@onrr.gov](mailto:Luis.Aguilar@onrr.gov). For questions on technical issues, contact Michael DeBerard, Asset Valuation, ONRR, at (303) 231–3884 or email to [Michael.DeBerard@onrr.gov](mailto:Michael.DeBerard@onrr.gov).

**SUPPLEMENTARY INFORMATION:**

**I. Background**

The Secretary of the Interior's authority to establish the value of Federal oil and gas production through regulations is contained in the mineral leasing statutes (43 U.S.C. 1334; 30 U.S.C. 189 and 359). Likewise, the Secretary of the Interior's authority to establish the value of Federal and Indian coal production through regulations is contained in the Indian Mineral Leasing Act of 1938, the Mineral Leasing Act, and the Mineral Leasing Act for Acquired Lands (25 U.S.C. 396d; 30 U.S.C. 189 and 359). In addition, virtually all Federal oil and gas and Federal and Indian coal leases expressly reserve to the Secretary the authority to establish the reasonable value of production or provide that the royalty value be set by regulation.

The 2017 Valuation Rule addressed Federal oil and gas and Federal and Indian coal valuation in one rulemaking. The 2017 Valuation Rule sought to (1) offer greater simplicity, certainty, clarity, and consistency in product valuation for mineral lessees and mineral revenue recipients; (2) ensure that Indian mineral lessors receive the maximum revenues from coal resources on their land, consistent with the Secretary's trust responsibility and lease terms; (3) decrease lessees' cost of compliance and ONRR's cost to ensure compliance; and (4) provide early certainty to ONRR and stakeholders. Whether the 2017 Valuation Rule is repealed or retained, ONRR seeks to accomplish the goals outlined in that rulemaking. For additional information, see 81 FR 43338, dated July 1, 2016.

This ANPRM is intended to solicit comments and suggestions for two possible scenarios. If the 2017 Valuation Rule is repealed, ONRR seeks comments regarding whether a new valuation rule is needed and, if so, what particular issues the new valuation rule should

address. Alternatively, if the 2017 Valuation Rule is not repealed, ONRR is seeking comments as to what changes should be made to ONRR's valuation regulations in 30 CFR parts 1202 and 1206, as amended by the 2017 Valuation Rule. Please segregate comments to each of these two scenarios.

Soliciting comments and involving all affected stakeholders early in the rulemaking process are the hallmarks of good government and smart business practice. The purpose of this rulemaking process is to provide regulations that would (1) offer greater simplicity, certainty, clarity, and consistency in production valuation for mineral lessees and mineral revenue recipients; (2) be easy to understand; (3) decrease industry's cost of compliance; and (4) provide early certainty to industry, ONRR, and stakeholders.

**II. Public Comment Procedures**

ONRR is not obligated to consider comments that we receive after the close of the comment period for this ANPRM, or comments that are delivered to an address other than those listed in the **ADDRESSES** section of this notice. After the comment period for this ANPRM closes, ONRR will review all comment submissions. Upon consideration, ONRR may publish a notice of proposed rulemaking.

*A. Written Comment Guidelines*

We are particularly interested in receiving comments and suggestions about the topics identified in section III, Description of Information Requested. Your written comments should: (1) Be specific; (2) explain the reason for your comments and suggestions; (3) address the issues outlined in this notice; and (4) where possible, refer to the specific provision, section, or paragraph of statutory law, case law, lease term, or existing regulations that you are addressing.

The comments and recommendations that are most useful and have greater likelihood of influencing decisions on the content of a possible future proposed rule are: (1) Comments and recommendations supported by quantitative information or studies; and (2) comments that include citations to, and analyses of, the applicable laws, lease terms, and regulations.

*B. Public Availability of Comments*

Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time.

While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

**III. Description of Information Requested**

We are interested in submission of proposals that will lead to improved efficiencies for lessees, ONRR, and other stakeholders. In considering proposed changes to the existing Federal oil and gas royalty valuation regulations at 30 CFR parts 1202 and 1206, we have three goals in mind, as follows:

- Provide clear regulations that are understandable and consistent with fulfilling the Secretary's responsibility to ensure fair value for the public's resources.
- Provide valuation methods that are as efficient as practicable for lessees to use.
- Provide early certainty that correct payment has been made.

As discussed above, ONRR requests comments on two possible scenarios pending the outcome of the proposed rule to repeal the 2017 Valuation Rule. We recognize the outcome of the proposed rule to repeal the 2017 Valuation Rule may not be known by the closing date of this ANPRM. Therefore, we encourage commenters to consider both of the two possible outcomes of that rulemaking when preparing their submissions as follows.

1. If the 2017 Valuation Rule is repealed, ONRR requests comments regarding whether a new rulemaking would be beneficial or is necessary. If commenters believe that a new rulemaking would be beneficial, ONRR requests comments regarding specific changes to the Federal oil and gas and Federal and Indian coal valuation regulations.

2. If the 2017 Valuation Rule is not repealed, ONRR requests comments regarding whether potential changes to the 2017 Valuation Rule are needed. Possible topics include, but are not limited to:

- Whether ONRR should have one rule addressing Federal oil and gas and Federal and Indian coal valuation, or separate rulemakings.
- How best to value non-arm's-length coal sales and/or sales between affiliates.
- Whether ONRR should update the valuation regulations governing non-arm's-length dispositions of Federal gas, and if so, how.
- Whether ONRR should address marketable condition and/or unbundling, and if so, how.

• Whether ONRR should have a default provision clarifying how ONRR will exercise Secretarial authority to determine value for royalty purposes in cases where there is misconduct, breach of duty to market, or ONRR cannot otherwise verify value. Other potential valuation methods or necessary changes to ONRR valuation regulations.

ONRR appreciates your participation and looks forward to receiving your comments.

Dated: March 30, 2017.

**Amy Holley,**

*Acting Assistant Secretary for Policy, Management and Budget.*

[FR Doc. 2017-06600 Filed 4-3-17; 8:45 am]

**BILLING CODE 4335-30-P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 165

[Docket Number USCG-2016-0983]

RIN 1625-AA00

#### Safety Zone; Fireworks Displays, Sector Key West, Florida

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Coast Guard proposes to establish safety zones for certain waters within the Sector Key West Captain of the Port (COTP) Zone. This action would establish safety zones around firework platforms, structures, or barges during the storage, preparation, and launching of fireworks. The proposed rule is necessary to provide for the safety of the participants, participant vessels, and the general public on the navigable waters of the United States during the fireworks displays. This proposed rule would allow the Coast Guard to restrict persons and vessels, except those participating in the event, from entering, transiting through, anchoring in, or remaining within the regulated area unless authorized by the COTP Key West or a designated representative. We invite your comments on this proposed rulemaking.

**DATES:** Comments and related material must be received by the Coast Guard on or before May 4, 2017.

**ADDRESSES:** You may submit comments identified by docket number USCG-2016-0983 using the Federal e-Rulemaking 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 rulemaking, call or email Lieutenant Scott Ledee, Waterways Management Division Chief, Sector Key West, FL, U.S. Coast Guard; telephone (305) 292-8768, email [Scott.G.Ledee@uscg.mil](mailto:Scott.G.Ledee@uscg.mil).

**SUPPLEMENTARY INFORMATION:**

#### I. Table of Abbreviations

COTP Captain of the Port  
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

This proposed rule would establish safety zones around firework platforms, structures or barges within the Sector Key West COTP Zone during the storage, preparation, and launching of fireworks. Hazards from firework displays include accidental discharge of fireworks, dangerous projectiles, and falling hot embers or other debris. The COTP Key West has determined that potential hazards associated with fireworks are a safety concern for anyone within a 500-yard radius of the firework platforms, structures, or barges.

The purpose of this rulemaking is to ensure the safety of vessels and the navigable waters within a 500-yard radius of all firework platforms, structures, or barges during the storage, preparation, and launching of fireworks. The Coast Guard proposes this rulemaking under authority in 33 U.S.C. 1231.

#### III. Discussion of Proposed Rule

The Coast Guard proposes to establish safety zones on navigable waters around firework platforms, structures, or barges within the COTP Zone Key West, Florida. The safety zones would include all waters within a 500-yard radius of all fireworks launching platforms, structures, or barges while engaged in the storage, preparation, and launching of fireworks.

The proposed rule seeks to enhance navigation safety and marine environmental protection, reduce the potential for the loss of lives and property, and ensure the safety of vessel and workers from hazards associated with fireworks operations in the regulated area.

No vessel or person would be permitted to enter the safety zone without obtaining permission from the

COTP Key West or a designated representative. The proposed regulatory text appears at the end of this document.

Notice of enforcement and suspension of enforcement will be made by all appropriate means to affect the widest distribution among the affected segments of the public. Such means of notification may include, but are not limited to, Broadcast Notice to Mariners, Local Notice to Mariners, or notices on the U. S. Coast Guard Homeport Web site.

#### IV. Regulatory Analyses

We developed this proposed rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and executive orders and we discuss First Amendment rights of protestors.

##### A. Regulatory Planning and Review

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This NPRM has not been designated a "significant regulatory action," under Executive Order 12866. Accordingly, the NPRM has not been reviewed by the Office of Management and Budget.

Although this proposed rule may restrict access to small portions of the waterway within the Sector Key West COTP Zone, the effect of this regulation would not be significant for the following reasons: (1) The safety zones would only be enforced during limited time intervals while firework display operations present a hazard; (2) vessels may be authorized to enter the regulated areas with permission of the COTP Key West or a designated representative; and (3) advanced notification of closures will be made via Local Notice to Mariners, Broadcast to Mariners, and the U. S. Coast Guard Homeport Web site.

##### B. Impact on Small Entities

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601-612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term "small entities" comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their