Number of licensed mates required	Tonnage of vessel (with certain exceptions)
2	200 GT to less than 1,000 GT (46 U.S.C. 8301(a)(3)).
1	100 GT to less than 200 GT (46 U.S.C. 8301 (a)(4)).
No provision	Under 100 GT.

You might think that this problem could be solved by simply establishing higher alternate tonnages in section 8301 to provide parity to small passenger vessels measured under the convention system. Unfortunately, however, section 8301 does not apply just to small passenger vessels but to virtually all commercial vessels. Furthermore, different classes of vessels differ in the range between regulatory and convention tonnages. For example, a freight vessel of 175 regulatory tons might measure 175 convention tons. If the alternate tonnage under section 8301 was set higher than the regulatory tonnage to address small passenger vessels, it may result in fewer mates on convention-measured freight vessels.

2. *Merchant mariner licensing.* The problem of establishing alternate tonnages is further compounded by the interrelationship among the shipping statutes, such as in the case of merchant mariner licensing. The tonnage of the vessel on which you have served may make a difference in the licenses for which you are eligible or the vessels upon which you may serve. For example, you may have earned your license based on service on a vessel with an assigned regulatory tonnage. If you decide to change jobs and serve on a comparably-sized vessel of the same class that is regulated according to a higher convention tonnage, you may not be eligible to serve on the vessel unless your license is adjusted accordingly. This situation may also affect the way in which the Coast Guard determines your eligibility to renew or upgrade your license.

The international community took steps to address this issue in the 1995 Amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978 (STCW). STCW specifies alternate convention tonnages that may be adopted by an Administration (such as the Coast Guard for the United States) for reissuing or revalidating licenses (i.e., 500 gross convention tons for the 200 gross regulatory ton threshold and 3,000 gross convention tons for the 1,600 gross regulatory ton threshold). In response to a request for comments in an interim rule published on June 26, 1997 (62 FR 34506), the Coast Guard received several comments generally supporting the STCW licensing thresholds but deferred deciding whether to adopt the thresholds until the problems addressed in this notice are resolved.

Previous Effort To Establish an Alternate Tonnage Threshold

On December 18, 1996, the Coast Guard established a maximum alternate tonnage for offshore supply vessels (61 FR 66613). A quick response was necessary to respond to the offshore supply vessel industry's pressing need for a new, technologically-advanced fleet. This maximum alternate tonnage value of 6,000 convention gross tons was used in the recent final rule for offshore supply vessels published in the **Federal Register** on September 19, 1997 (62 FR 49308).

Questions

The process of establishing alternate convention tonnages could take many years. It could affect many regulations and virtually all of the maritime industry. The Coast Guard encourages you to become involved in the earliest stages of this project.

We especially need your help in answering the following questions, although additional information is welcome. In responding to each question, please explain your reasons for each answer so that we can carefully weigh the consequences and impacts of any future actions we may take.

1. For the type or types of vessel you design, build, or operate and the nature of your operations, should the Coast Guard establish alternate convention tonnage thresholds? Please explain.

2. Based on your circumstances, what advantages, disadvantages, or both do you foresee with alternate Convention tonnages?

3. Which threshold or thresholds should the Coast Guard establish first? Why? What timeline should the Coast Guard use? Why?

4. If an alternate threshold is needed, what convention tonnage should be specified? Please relate your answer to specific subjects (e.g., vessel manning), to vessel classes (e.g., small passenger vessels), or to statutory provisions listed in the table of statutes.

5. What other strategies, besides implementing alternate tonnages, do you think could be used by the Coast Guard and industry to discourage the use of undesirable tonnage reduction techniques? Why?

6. When establishing alternate tonnages, how should the Coast Guard address tonnage thresholds that apply to many vessel classes, such as manning requirements?

7. Where an international convention, such as STCW, specifies an alternate convention threshold for certain purposes, should the Coast Guard adopt that figure as its alternate convention threshold for those purposes?

Dated: January 28, 1998.

Joseph J. Angelo,

Acting, Assistant Commandant for Marine Safety and Environmental Protection.

[FR Doc. 98–2697 Filed 2–3–98; 8:45 am]

BILLING CODE 4910–14–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 73

[FRL–5961–5]

Acid Rain Program; Auction Offerors to Set Minimum Prices in Increments of $0.01

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: Title IV of the Clean Air Act, as amended by the Clean Air Act Amendments of 1990 (the Act), authorized the Environmental Protection Agency (EPA) to establish the Acid Rain Program to reduce the adverse health and ecological effects of acidic deposition. The program utilizes an innovative system of marketable allowances that are allocated to electric utilities. Title IV mandates that EPA hold yearly auctions of allowances for a small portion of the total allowances allocated each year. Private parties may also offer their allowances for sale in the EPA auctions and specify a minimum sales price. Currently, the regulations require that an offeror's minimum sales price be in whole dollars (see 40 CFR part 73, Subpart E, § 73.70). No such restriction applies to auction bidders and since 1995, EPA has allowed bidders to submit bids in increments of less than a dollar. The restriction on minimum offer prices was originally intended to facilitate administrative ease, but allowing minimum sales prices in increments of $0.01 would not change the design, operation, or administrative burden of the auctions in any way. In addition, it would be consistent with the flexibility afforded auction bidders. Thus, EPA is proposing to amend the current regulations to allow offerors to submit their minimum offer price in increments of $0.01.

Because this rule revision was discussed in an Advance Notice of

Proposed Rulemaking (see the June 6, 1996 **Federal Register**, 61 FR 28995–28998) and EPA received no adverse comments, this revision is also being issued as a direct final rule in the Final Rules section of this **Federal Register**.

DATES: Comments on the regulations proposed by this action must be received on or before March 6, 1998.

ADDRESSES: *Comments.* All written comments must be identified with the appropriate docket number (Docket No. A–96–19) and must be submitted in duplicate to U.S. Environmental Protection Agency, EPA Air Docket Section (6102), Waterside Mall, Room M1500, 1st Floor, 401 M St. SW, Washington, DC 20460.

Docket. Docket No. A–96–19, containing information considered during development of the promulgated standards and requirements in this proposal, is available for public inspection and copying between 8:30 a.m. and 3:30 p.m., Monday through Friday, at EPA's Air Docket Section at the above address. A reasonable fee may be charged for copying.

FOR FURTHER INFORMATION CONTACT: Kenon Smith, U.S. Environmental Protection Agency, Acid Rain Division (6204J), 401 M Street SW, Washington, DC 20460, (202) 564–9164.

SUPPLEMENTARY INFORMATION: If no significant, adverse comments are received by the close of the comment period, no further activity is contemplated in relation to this proposed rule and the direct final rule in the Final Rules section of this **Federal Register** will automatically go into effect on the date specified in that rule. If significant, adverse comments are received, they will be addressed in a subsequent final rule. Because the Agency will not institute a second comment period on this proposed rule, any parties interested in commenting should do so during this comment period.

For further supplemental information, and the rule revision, see the information provided in the direct final rule in the Final Rules section of this **Federal Register**.

List of Subjects in 40 CFR Part 73

Environmental protection, Acid rain, Air pollution control, Electric Utilities, Reporting and recordkeeping requirements, Sulfur dioxide.

Dated: January 29, 1998.

Carol M. Browner,

Administrator, U.S. Environmental Protection Agency.

[FR Doc. 98–2718 Filed 2–3–98; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 531

[Docket No. NHTSA–97–3205; Notice 1]

Passenger Automobile Average Fuel Economy Standards; Proposed Decision to Grant Exemption

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Proposed decision.

SUMMARY: This proposed decision responds to a joint petition filed by Lamborghini and Vector requesting that each company be exempted from the generally applicable average fuel economy standard of 27.5 miles per gallon (mpg) for model years 1998 and 1999, and that lower alternative standards be established. In this document, NHTSA proposes that the requested exemption be granted and that alternative standards of 12.4 mpg be established for MYs 1998 and 1999, for Lamborghini and Vector.

DATES: Comments on this proposed decision must be received on or before April 6, 1998.

ADDRESSES: Comments on this proposal must refer to the docket number and notice number in the heading of this document and be submitted, preferably in two copies, to: US Department of Transportation Docket Management, PL–401, 400 Seventh Street, S.W., Washington, DC 20590. Docket hours are 10:00 a.m. to 5:00 p.m., Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Ms. Henrietta Spinner, Office of Market Incentives, NHTSA, 400 Seventh Street, SW, Washington, DC 20590. Ms. Spinner's telephone number is: (202) 366–4802.

SUPPLEMENTARY INFORMATION:

Statutory Background

Pursuant to 49 U.S.C. section 32902(d), NHTSA may exempt a low volume manufacturer of passenger automobiles from the generally applicable average fuel economy standards if NHTSA concludes that those standards are more stringent than the maximum feasible average fuel economy for that manufacturer and if NHTSA establishes an alternative standard for that manufacturer at its maximum feasible level. Under the statute, a low volume manufacturer is one that manufactured (worldwide) fewer than 10,000 passenger automobiles in the second model year before the model year for which the exemption is sought (the affected model year) and that will manufacture fewer than 10,000 passenger automobiles in the affected model year. In determining the maximum feasible average fuel economy, the agency is required under 49 U.S.C. 32902(f) to consider:

(1) Technological feasibility
(2) Economic practicability
(3) The effect of other motor vehicle standards of the Government on fuel economy, and
(4) The need of the United States to conserve energy

The statute at 49 U.S.C. 32902(d)(2) permits NHTSA to establish alternative average fuel economy standards applicable to exempted low volume manufacturers in one of three ways: (1) A separate standard for each exempted manufacturer; (2) a separate average fuel economy standard applicable to each class of exempted automobiles (classes would be based on design, size, price, or other factors); or (3) a single standard for all exempted manufacturers.

Background Information on Lamborghini and Vector

Vector Aeromotive Corporation (Vector) and Automobili Lamborghini S.p.A. (Lamborghini) are small automobile manufacturers that each produce a single model of high priced, uniquely designed exotic sport vehicles. Lamborghini is an Italian manufacturer of passenger cars, which concentrates exclusively on the production of high quality, high performance, prestige sports cars. Lamborghini currently produces one model, the Diablo. Vector, a domestic low volume manufacturer, also marketing exotic high performance sports cars, was originally founded as the ''Vector Car'' Company. The assets of Vector Car were purchased by the Vector Aeromotive Corporation in 1987, and Vector completed redesign and engineering of its first production car, the Vector W8. The W8 has been partially redesigned and is now sold as the Avtech/M12. Vector produced a total of 43 automobiles in the 1996 and 1997 model years while Lamborghini imported 54 cars into the U.S. in the same time period.

Need for a Joint Petition for Lamborghini and Vector

Although they manufacture different automobile lines, Lamborghini and Vector are both controlled by V-Power Corporation. V-Power is the largest shareholder of Vector, owning 57 percent of the stock; the remaining 43 percent of Vector is publicly traded on NASDAQ. V-Power also has a