FDC 5/1547/SSI/ FI/P Malcom McKinnon, Brunswick, GA. VOR or GPS RWY 4, AMDT 14A...S-4 MDA 460/ HAT 444 all cats. vis 1½ cat D. This becomes VOR or GPS RWY 4 AMDT 14B.

## Hancock

Houghton County Memorial Michigan NDB OR GPS RWY 31 AMDT 11... FDC Date: 04/12/95

FDC 5/1578/CMX/ FI/P Houghton County Memorial, Hancock, MI. NDB or GPS RWY 31 AMDT 11...MSA from CM LOM 090–270 3400, 270–090 2700. This is NDB or GPS RWY 31 AMDT 11A.

[FR Doc. 95–10385 Filed 4–2–95; 8:45 am] BILLING CODE 4910–13–M

### **DEPARTMENT OF THE TREASURY**

#### **Customs Service**

19 CFR Part 146

[T.D. 95-35]

RIN 1515-AB20

# Petroleum Refineries in Foreign Trade Subzones

**AGENCY:** Customs Service, Department of the Treasury.

ACTION: Final rule.

SUMMARY: This document amends the Customs Regulations by adding special procedures and requirements governing the operations of crude petroleum refineries approved as foreign trade subzones, in implementation of section 9002 of the Technical and Miscellaneous Revenue Act of 1988, which amended the Foreign Trade Zones Act to make specific provision for petroleum refinery subzones.

**EFFECTIVE DATE:** These regulations are effective October 24, 1995.

FOR FURTHER INFORMATION CONTACT: For Legal aspects: Bill Rosoff, Chief, Entry Rulings Branch (202)482–7040. For Operational aspects: Louis Hryniw, Regulatory Audit (202)927–1100.

# SUPPLEMENTARY INFORMATION:

### **Background**

On August 10, 1992 (57 FR 35530), Customs published a document in the Federal Register proposing to amend the Customs Regulations to add special procedures and requirements governing the operations of crude petroleum refineries approved as foreign trade subzones, in implementation of section 9002 of the Technical and Miscellaneous Revenue Act of 1988 which amended the Foreign Trade Zones Act, 19 U.S.C. 81c(d), to make specific provision for petroleum refinery subzones.

Briefly, as stated in the August 10, 1992, notice of proposed rulemaking, the statutory amendment obviates the need to determine exactly when and where in the manufacturing process crude and other feedstocks become other products. In so doing, it permits refiners as well as Customs to assess the relative value of such multiple products at the end of the manufacturing period during which such products were produced, when the actual quantities of these products resulting from the refining process can be measured with certainty. Also, the amendment permits the products refined in a subzone during a manufacturing period to be attributed to a given crude or other feedstocks introduced into production during the period, to the extent that such products were producible (could have been produced) therefrom in the quantities removed from the subzone.

As a result of extensive and varied input received from the oil refinery and foreign trade zone communities, as well as from other interested parties, in response to the initial notice of proposed rulemaking, Customs published a significantly revised notice on March 4, 1994 (59 FR 10342) and solicited additional public comment on the revised proposed rule.

The following discussion includes a summary of the various comments received in response to the March 4, 1994, notice of proposed rulemaking, together with an explanation and analysis regarding the sections to be added, eliminated or further revised. The final rule as revised is thereafter set forth.

# **Discussion of Comments**

Comment: Two commenters suggested deletion of proposed § 146.92(a)(1), (2) and (3) because it is already covered in proposed § 146.93.

Customs Response: Customs agrees and, therefore, these three subsections have been deleted.

Comment: Three commenters suggested that the definition in proposed § 146.92(b) be expanded to include products from natural gas production and blendstocks and, additionally, that the definition state that Customs may add other merchandise to this definition by way of a ruling.

Two commenters suggested the inclusion of "other hydrocarbon feedstocks, light olefins, and other aromatics and their derivatives" in this definition.

Customs Response: Regarding the suggestion that this definition may be modified by a ruling, Customs regulations may not be modified or changed by way of a ruling. Any changes to the regulations would have to follow regulatory procedures. It is not clear to Customs how natural gas production and blendstocks apply to producibility. Any change to T.D. 66–16 to include feedstocks or products not listed must include supporting records and a technical explanation of the change. Therefore, this suggestion has not been adopted.

Comment: One commenter suggested that the word "means" in proposed § 146.92(c) be changed to "is based on". Another commenter suggested deletion of "utilizing T.D. 66–16 (see § 146.92(h)), and" and insertion of "volumetric" between "any" and "loss".

Customs Response: The suggested change has been adopted with respect to addition of the word "volumetric" and § 146.92(c) has been reworded. Customs disagrees that the phrase "utilizing T.D. 66–16" should be deleted. The word "means" should be retained since this section defines terms for use in this subpart.

*Comment:* The suggestion was made that proposed § 146.92(d) be re-worded to read as follows:

Final product means any product that is produced in a petroleum refinery subzone from feedstock processed therein, and thereafter removed therefrom or consumed within the zone.

Two commenters suggested that the phrase "and or hydrocarbon product" be inserted after "product" and before "that". Another commenter suggested that the phrase "lost or destroyed in the subzone as provided in § 146.53(c)(1)(iv)" be inserted after "therefrom".

Customs Response: The first suggestion regarding the rewording of § 146.92(d) has been adopted. The use of attribution by records requires that the amounts removed or consumed actually be measured; such method is not acceptable to account for unmeasured losses. This suggestion has not been adopted. It is Customs position that 19 U.S.C. 81c(d) applies only to crude petroleum products and not to hydrocarbons in general. Therefore, this suggestion was not adopted.

Comment: Two commenters suggested that the words "or manufacturer" be inserted after "refiner" and that the words "production facility" be inserted after "refinery" in proposed § 146.92(e). One commenter suggested deletion of the phrase "for which \* \* \* subzone" because attribution is addressed