activity that set forth: permissible methods of taking; means of effecting the least practicable adverse impact on the species and their habitat and on the availability of the species for subsistence uses; and requirements for monitoring and reporting.

On December 17, 1994, BP Exploration (Alaska), Inc., for itself and on behalf of 14 other energy related entities (hereafter collectively referred to as "Industry") petitioned the Service to promulgate regulations pursuant to section 101(a)(5)(A) of the MMPA. A proposed rule was published by the Service on December 30, 1992 (57 FR 62283), with a 75-day comment period that expired on March 15, 1993.

The proposed rule announced that the Service had prepared a draft Environmental Assessment in conjunction with the rulemaking action; and that when a final decision was made on the Industry applications for incidental take authority, the Service would decide whether this was a major Federal action significantly affecting the quality of the human environment within the meaning of section 102(2)(C) of the National Environmental Policy Act of 1969 (NEPA). On April 26, 1993, following the close of the proposed rule's comment period, the Service concluded in a Finding of No Significant Impact (FONSI) that this was not a major Federal action under the NEPA and preparation of an Environmental Impact Statement was not required.

Subsequently, on November 16, 1993, the Service published final regulations in the **Federal Register** (58 FR 60402) effective December 16, 1993, to authorize and govern the incidental, unintentional take of small numbers of polar bear and walrus during Industry operations (exploration, development, and production) year-round in the Beaufort Sea and adjacent northern coast of Alaska. The Service concluded in the final rule, based on the best scientific evidence available, that the cumulative total of such taking by Industry over a five-year period would have a negligible effect on these species and would not have an unmitigable adverse impact on the availability of these species for subsistence used by Alaskan Natives.

However, although the MMPA authorizes regulations to be used for periods of up to five years, the Service's final regulations were initially effective only for an 18-month period through June 16, 1995, as a result of additional provisions in the final regulations. These provisions stipulate that extension of the final regulations for an additional 42 months for the full five-

year term authorized by the MMPA (through December 15, 1998) is contingent upon the following: (1) Within a period of 18 months from the effective date of this rulemaking, the Service must develop and begin implementing a Polar Bear Habitat Conservation Strategy (Strategy), pursuant to the management planning process in section 115 of the MMPA, and in furtherance of the goals of Article II of the 1973 International Agreement on the Conservation of Polar Bears (1973 Agreement); (2) the identification and designation of special considerations of closures of any polar bear habitat components to be further protected; (3) public notice and comment on those considerations of closures; (4) affirmative findings of the Secretary of the Interior; and (5) public notice and comment on the Secretary's intention to extend the term of the incidental take regulations for a period not to exceed a total of five years.

The final rule explained the additional requirement to develop a Strategy as follows:

In addition to its responsibilities under the [MMPA], the Department of the Interior has further responsibilities under the 1973 multilateral Polar Bear Agreement.

Specifically, Article II of the Agreement requires that:

Each contracting Party shall take appropriate action to protect the ecosystems of which polar bears are a part, with special attention to habitat components such as denning and feeding sites and migration patterns * * *

In comport with, and to meet more fully the intent of the Agreement, under this final rulemaking, within 18 months of its effective date, the Service has been directed by the Secretary of the Interior to develop and begin implementing a strategy for the identification and protection of important polar bear habitats. Development of such strategy will be done as part of the Service's management plan process pursuant to Section 115 of the [MMPA], and in cooperation with signatories to the Polar Bear Agreement, the Department of State, the State of Alaska, Alaskan Natives, Industry, conservation organizations, and academia.

The Service has developed a draft Strategy, published notice of its availability in the **Federal Register** (February 28, 1995, at 60 FR 10868), and sought review and comment on it. The draft Strategy was developed with the involvement and input of Alaskan Natives, Industry, the National Biological Service, that State of Alaska, conservation organizations, academia, and others. Its includes Native traditional knowledge on polar bear behavior and habitat use.

The draft Strategy identifies and designates important polar bear feeding and denning areas and proposes

measures for enhanced consideration of these areas from oil and gas exploration, development, and production. It also proposes additional measures for polar bear habitat protection in furtherance of the goals of the 1973 Agreement. These measures consist of a proposed Native Village Communication Plan, creation and support of a Polar Bear Advisory Council, and development of International Conservation Initiatives. The draft Strategy also identifies research needs related to habitat use and relative importance of habitat types, and effects of contaminants and industrial activities on polar bears.

The original 60-day period to comment on the draft Strategy would have expired on May 1, 1995. However, on May 8, 1995, the Service announced in the **Federal Register** (60 FR 22584) that it had extended the comment period for an additional 15 days through May 16, 1995. It was extended in response to several April 28, 1995 letters that requested a 30-day extension; those requests stated that additional time was needed to complete a review of the draft Strategy.

While the Service agreed to extend the comment period, it was determined that a 30-day extension would not allow us adequate time to analyze comments and to make a decision on the draft Strategy and on the associated proposed rule that was published in the **Federal Register** on March 17, 1995, (60 FR 14408) to extend the effective period of incidental take regulations at 50 CFR Part 18, Subpart J. Because of the short timeframes involved, it was determined that the draft Strategy's comment period could only be extended for 15 days through May 16, 1995. This deadline also coincided with the close of the comment period on the proposed rule to extend the incidental take regulations at 50 CFR Part 18, Subpart J for an additional 42 months.

For the reasons set out in the Service's proposed rule of March 17, 1995, (as identified in the previous paragraph) to extend the effective period of incidental take regulations, and in the final Beaufort Sea rule published on November 16, 1993, the Service proposed to extend the regulations in 50 CFR Part 18, Subpart J for the full fiveyear term authorized by the MMPA. Thus, the regulations currently in effect from December 16, 1993, through June 16, 1995, would not expire but rather would be extended through December 15, 1998. The proposal to extend the final Beaufort Sea regulations was made on the basis that the Service's draft Strategy, if adopted, would meet the stipulations in those regulations. The Service believes that the total expected