

**DEPARTMENT OF DEFENSE****Department of the Navy****32 CFR Part 700**

RIN 0703-AA71

**United States Navy Regulations****AGENCY:** Department of the Navy, DOD.**ACTION:** Final rule.

**SUMMARY:** The Department of the Navy is amending the Navy Regulations, incorporating new subparts, and modifying some existing subparts. This revision will allow the published Navy Regulations to comport with the 1990 Navy Regulations currently in use.

**DATES:** Effective January 21, 2003.**FOR FURTHER INFORMATION CONTACT:**

LCDR Jason Baltimore, Legislation and Regulations Branch, Administrative Law Division (Code 13), Office of the Judge Advocate General, 1322 Patterson Avenue SE., Suite 3000, Washington Navy Yard, DC 20374-5066, (703) 604-8208.

**SUPPLEMENTARY INFORMATION:** On 14 September 1990, the Secretary of the Navy (SECNAV) issued, revised, and amended Navy Regulations (NAVREGS) in accordance with 10 U.S.C. Section 6011. These regulations superseded the NAVREGS that were amended in 1978. Since that time, one revision, which reflected changes to the NAVREGS, was published in the **Federal Register**, 64 FR 56061, Oct. 15, 1999. Since the 1999 revision, no additional changes have been published to reflect the current NAVREGS. In accordance with 5 U.S.C. Section 552, the Department of the Navy seeks to publish additional changes to these regulations. It has been determined that invitation of public comment on these changes to the NAVREGS prior to adoption would be impractical and unnecessary, and is therefore not required under the public rule—making provisions of 32 CFR parts 336 and 701. However, interested persons are invited to comment in writing. Written comments received will be considered in making amendments or revisions to 32 CFR 700 or the NAVREGS upon which it is derived. It has been determined that this final rule is not a major rule within the criteria specified in Executive Order 12291 and does not have substantial impact on the public. This submission is a statement of policy and as such can be effective upon publication in the **Federal Register**.

**Matters of Regulatory Procedure***Executive Order 12866, Regulatory Planning and Review*

This rule does not meet the definition of “significant regulatory action” for purposes of E.O. 12866.

*Regulatory Flexibility Act*

This rule will not have a significant economic impact on a substantial number of small entities for purposes of the Regulatory Flexibility Act (5 U.S.C. Chapter 6).

*Paperwork Reduction Act*

This rule does not impose collection of information requirements for purposes of the Paperwork Reduction Act (44 U.S.C. Chapter 35, 5 CFR part 1320).

**List of Subjects in 32 CFR Part 700**

Armed Forces.

For the reasons set forth in the preamble, the Department of the Navy revises 32 CFR part 700 to read as follows:

**PART 700—[AMENDED]**

1. Section 700.405, paragraph (c)(9) is amended by removing the “.” and adding a “;” at the end of the paragraph; by adding paragraph (c)(10); and by revising paragraph (d)(3) to read as follows:

**§ 700.405 Delegated authority and responsibility.**

\* \* \* \* \*

(c) \* \* \*

(10) To exercise authority for intelligence within the Navy.

(d) \* \* \*

(3) Matters essential to naval military administration, such as:

(i) Security;

(ii) Discipline;

(iii) Communications; and

(iv) Matters related to the customs and traditions of the naval service.

\* \* \* \* \*

2. Section 700.505 is amended by redesignating paragraph (b)(5) as paragraph (b)(6); and adding a new (b)(5) to read as follows:

**§ 700.505 Delegated authority and responsibility.**

\* \* \* \* \*

(b) \* \* \*

(5) To exercise authority for intelligence within the Marine Corps.

\* \* \* \* \*

3. Section 700.701 is amended by revising paragraph (a) to read as follows:

**§ 700.701 Titles of Commanders.**

(a) The commander of a principal organization of the operating forces of

the Navy, as determined by the Chief of Naval Operations, or the officer who has succeeded to such command as provided elsewhere in these regulations, shall have the title “Commander.” The name of the organization under the command of such an officer shall be added to form his or her official title, e.g., “Commander, U.S. Atlantic Fleet,” Commander, U.S. Atlantic Fleet, Commander, U.S. Pacific Fleet, and Commander, U.S. Naval Forces Europe, may also be referred to as a “Geographic Fleet Commander.”

\* \* \* \* \*

4. Section 700.1053 is amended by revising paragraph (a) to read as follows:

**§ 700.1053 Commander of a task force.**

(a) A geographic fleet commander, and any other naval commander, may detail in command of a task force, or other task command, any eligible officer within his or her command whom he or she desires. All other officers ordered to the task force or the task command shall be considered subordinate to the designated commander.

\* \* \* \* \*

Dated: January 7, 2003.

**J.T. Baltimore,**

*Lieutenant Commander, Judge Advocate General's Corps, U.S. Navy, Alternate Federal Register Liaison Officer.*

[FR Doc. 03-1045 Filed 1-17-03; 8:45 am]

**BILLING CODE 3810-FF-P**

**POSTAL SERVICE****39 CFR Part 501****Authorization To Manufacture and Distribute Postage Meters****AGENCY:** Postal Service.**ACTION:** Final rule.

**SUMMARY:** This final rule amends the regulations for postage meter inventory control and for the protection and control of security-related processes and components. A desire to enhance the security of Postal Service revenues motivates these changes. The rule will improve the secure handling of postage meters and their security components by the approved postage meter manufacturers, and will extend the regulations to third-party agents and representatives of the manufacturers.

**DATES:** The rule is effective January 21, 2003.

**FOR FURTHER INFORMATION CONTACT:**

Wayne Wilkerson, manager of Postage Technology Management, at 703-292-3691, or by fax at 703-292-4050.

**SUPPLEMENTARY INFORMATION:** The proposed rule was published in the *Federal Register* on April 24, 2002 (67 FR 20077), with a request for submission of comments by May 24, 2002. We received three submissions in response to the solicitation of public comments. The Postal Service gave thorough consideration to the comments it received, modified the proposed rule as appropriate in response to the comments, and now announces adoption of the final rule. We will amend the remaining sections of title 39 CFR part 501 in the near future so that they reflect the changes in the postage meter population and recent changes to regulations published in the *Domestic Mail Manual* regarding postage meters and other postage evidencing systems.

#### Discussion of Comments

1. One commenter noted that since the Postal Service has control over all distributors of postage meters through the manufacturers, the amendments to the existing regulations make sense only if the manufacturer is allowed to transfer ownership of meters to distributors. The commenter suggested that revising the proposed regulation to allow transfer of ownership would increase competition in the marketplace and put an end to regulations that the commenter perceived as favoring manufacturers who operate a vertically integrated operation over those who use third parties to distribute meters. The commenter suggested that this change would make the regulation by the Postal Service of the security of postage meters in the custody of distributors and other third parties the same whether or not the third party owns, repairs, or distributes the meters.

Any control the Postal Service exercises over a person or concern that controls, distributes, maintains, replaces, repairs, or disposes of meters is currently exercised through the manufacturer. The Postal Service is seeking to standardize and strengthen the level of manufacturer control. The Postal Service does not now allow the transfer of ownership of meters to a third party. Any entity wanting to own meters now must qualify under 39 CFR part 501 to become an approved manufacturer. The entity must be capable of performing all functions required by part 501, including performance of inspections and identifying meters that are defective or tampered. The entity must also be capable of protecting and controlling internal and security components within the scope of § 501.28, as amended by this rule. No substantive

change is made to the proposed rule in response to this comment.

2. One commenter requested that the Postal Service provide standard written terms and conditions for manufacturers to include in all future third-party distributor agreements.

Given the variety of relationships that could exist between a manufacturer and a third party that controls, distributes, maintains, replaces, repairs, or disposes of meters, the Postal Service does not believe it is feasible to provide standard written terms and conditions for manufacturers to include in a third-party agreement. All third parties must adhere to applicable regulations, just as the manufacturer does. The applicable regulations include title 39, *Code of Federal Regulations*, part 501, Authorization to Manufacture and Distribute Postage Meters, and *Domestic Mail Manual*, Issue 57, especially section P030, Postage Meters (Postage Evidencing Systems). Manufacturers could consider requiring adherence to these regulations, and any others that may be applicable, in any third-party agreement. No change is made to the proposed rule in response to this comment.

3. One manufacturer with existing third-party relationships to distribute, replace, and dispose of meters suggested in its comment that such existing relationships should be grandfathered and exempt from the new regulations.

The manufacturer is responsible for controlling any third party in accordance with all applicable regulations. Postage Technology Management has the authority to review all existing relationships and the manufacturer's internal controls to ensure compliance. In this final rule, the Postal Service is clarifying the proposed rule in response to this comment.

4. One commenter asked that changes in field distribution relationships not require preapproval by the Postal Service. The time required to obtain such approval would unfairly burden the company and hinder its competitiveness. The commenter suggested that new third-party relationships, with the exception of new field sales relationships, should be presented for approval.

The Postal Service will review and approve third-party relationships only when the relationship has the potential to affect meter security or the security of Postal Service revenue. The Postal Service will not review those relationships commonly known as field sales or dealer relationships unless there is a particular security concern with the dealer or its operations. However, manufacturers must exercise control

over their dealers in accordance with Postal Service regulations. In this final rule, the Postal Service is clarifying the proposed rule with respect to relationships with dealers and field sales representatives.

#### List of Subjects in 39 CFR Part 501

Administrative practice and procedure, Postal Service.

#### The Amendment

For the reasons set out in this document, the Postal Service is amending 39 CFR part 501 as follows:

#### PART 501—AUTHORIZATION TO MANUFACTURE AND DISTRIBUTE POSTAGE METERS

1. The authority citation for part 501 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 410, 2601, 2605; Inspector General Act of 1978, as amended (Pub. L. 95-452, as amended); 5 U.S.C. App. 3.

2. Revise § 501.22 to read as follows:

##### § 501.22 Inventory control.

(a) An authorized manufacturer must maintain sufficient facilities for and records of the distribution, control, storage, maintenance, repair, replacement, and destruction or disposal of all meters and their components to enable accurate accounting thereof throughout the entire meter life cycle. Recordkeeping is required for all meters including newly produced meters, active leased meters, inactive meters, unleased meters, and lost or stolen meters. All such facilities and records are subject to inspection by Postal Service representatives.

(b) If the manufacturer uses a third party to perform functions that may affect meter security, including, but not limited to meter repair, maintenance, and disposal, the manager of Postage Technology Management, Postal Service Headquarters, must review in advance all aspects of the relationship, as they relate to the custody and control of meters, and must specifically authorize in writing the arrangement between the parties.

(1) Postal Service authorization of a third-party relationship for a given function does not extend to any other function. Extension of the third-party relationship to another function must be implemented and approved as if it were a new relationship.

(2) No third-party relationship shall compromise the security of the meter, or of any of its components, including, but not limited to, the hardware, software, communications, and security components, or of any system with

which it interfaces, including, but not limited to, the resetting system, reporting systems, and Postal Service support systems. The functions of the third party with respect to a meter, its components, and the systems with which it interfaces are subject to the same scrutiny as the equivalent functions of the manufacturer.

(3) Any authorized third party must keep adequate facilities for and records of meters and their components in accordance with paragraph (a) of this section. All such facilities and records are subject to inspection by Postal Service representatives, insofar as they are used to distribute, control, store, maintain, repair, replace, destroy, or dispose of meters.

(4) The manufacturer must ensure that any party acting in its behalf in any of the functions described in paragraph (a) of this section maintains adequate facilities, records, and procedures for the security of the meters. Deficiencies in the operations of a third party relating to the custody and control of postage meters, unless corrected in a timely manner, can place at risk a manufacturer's approval to manufacture and/or distribute postage meters.

(5) The Postal Service reserves the right to review all aspects of any third-party relationship when it becomes aware that the relationship poses a threat to meter security under paragraph (b)(2) of this section, whether or not that relationship required authorization under paragraph (b) of this section.

3. Revise § 501.28 to read as follows:

**§ 501.28 Protection and control of internal and security components.**

Any physical or electronic access to the internal components of a meter, as well as any access to software or security parameters, must be conducted within an approved factory or meter repair facility under the manufacturer's direct control and active supervision. The Postal Service must have checked a meter out of service before any component, software, or security parameter is accessed or modified in any way, or internal repairs are undertaken. This does not apply to Postal Service-approved user, field, or Postal Service access to a specific internal component or software. To prevent unauthorized use, the manufacturer or any third party acting on its behalf must keep secure any equipment or other component that can be used to open or access the internal,

electronic, or secure components of a meter.

**Stanley F. Mires,**  
*Chief Counsel, Legislative.*

[FR Doc. 03-1156 Filed 1-17-03; 8:45 am]

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**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 300**

[FRL-7435-2]

**National Oil and Hazardous Substances Pollution Contingency Plan; National Priorities List**

**AGENCY:** Environmental Protection Agency.

**ACTION:** Notice of partial deletion of the Rocky Mountain Arsenal National Priorities List Site from the National Priorities List.

**SUMMARY:** The Environmental Protection Agency (EPA) Region 8 announces the deletion of the Western Tier Parcel of the Rocky Mountain Arsenal National Priorities List (RMA/NPL) Site from the National Priorities List (NPL). The NPL constitutes appendix B of 40 CFR part 300, which is the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), which EPA promulgated pursuant to section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended. EPA and the State of Colorado, through the Colorado Department of Public Health and Environment (CDPHE), have determined that the Western Tier Parcel of the RMA/NPL Site poses no significant threat to public health or the environment and, therefore, no further remedial measures pursuant to CERCLA are appropriate. This partial deletion pertains only to the Western Tier Parcel of the RMA/NPL Site and does not include the other portions of the Site, which will remain on the NPL.

**EFFECTIVE DATE:** January 21, 2003.

**FOR FURTHER INFORMATION CONTACT:** Ms. Laura Williams, Remedial Project Manager (8EPR-F), U.S. EPA, Region 8, 999 18th Street, Suite 300, Denver, Colorado 80202-2466, (303) 312-6660. Information on the RMA/NPL Site as well as the Deletion Docket and the Responsiveness Summary for this partial deletion are available at EPA's Region 8 Superfund Records Center in Denver, Colorado. Documents are available for viewing by appointment from 8 a.m. to 4 p.m., Monday through Friday excluding holidays by calling (303) 312-6473. The Administrative

Record for the RMA/NPL Site, which includes the Deletion Docket and Responsiveness Summary for the partial deletion of the Western Tier Parcel, is maintained at the Joint Administrative Records Document Facility, Rocky Mountain Arsenal, Building 129, Room 2024, Commerce City, Colorado 80022-1748, (303) 289-0362. Documents are available for viewing from 12 p.m. to 4 p.m., Monday through Friday or by appointment.

**SUPPLEMENTARY INFORMATION:** The RMA/NPL Site is located approximately ten miles northeast of downtown Denver, Colorado and is comprised of two operable units (OU), the On-Post and Off-Post. The On-Post OU is encompassed by the boundaries of the Rocky Mountain Arsenal proper and occupies 27 square miles. The Off-Post OU addresses contamination north and northwest of the RMA proper boundaries. The Western Tier Parcel consists of 940 acres on the western perimeter of the On-Post OU of the RMA/NPL Site along Quebec Street in Commerce City, Colorado. The NPL partial deletion pertains only to the Western Tier Parcel which is a small portion of the On-Post OU. The Off-Post OU and the rest of the On-Post OU will remain on the NPL.

On October 2, 1998, EPA published a Notice of Intent for Partial Deletion (NOIDp) in the **Federal Register** (63 FR 53005) and local newspapers which proposed to delete the Western Tier Parcel from the RMA/NPL Site. Comments received during the public comment period primarily focused on the potential future placement of a child daycare facility at the Parcel and reiterated previous concerns that RMA, and hence the Western Tier Parcel, might be contaminated with dioxins. Based upon consideration of these concerns, EPA postponed action on the partial deletion until additional soil sampling and analysis of the Western Tier Parcel could be conducted.

The additional soil studies have been completed and, taken together with previous site-wide risk studies, address the community concerns regarding any future child daycare facility and potential dioxin contamination. These studies include the (1) Confirmation Soil Sampling Risk Report (EPA 2002a), (2) Denver Front Range Soil Dioxin Study, which consists of four separate studies including one specific to the Parcel (EPA 2001), (3) Section 9 Borrow Area Report (PMRMA 2000), and (4) Site Reconnaissance Report (EPA 2002b). Additional studies and reports developed include (1) Surface Flux Chamber Testing (CDPHE 1998), (2)