

Hawaiian monk seals (*Monachus schauinslandi*).

**ADDRESSES:** The permit and related documents are available for review upon written request or by appointment in the following offices:

Permits, Conservation and Education Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13705, Silver Spring, MD 20910; phone (301)713-2289; fax (301)713-0376; and Pacific Islands Region, NMFS, 1601 Kapiolani Blvd., Rm 1110, Honolulu, HI 96814-4700; phone (808)944-2200; fax (808)973-2941.

**FOR FURTHER INFORMATION CONTACT:** Amy Sloan or Kate Swails, (301)713-2289.

**SUPPLEMENTARY INFORMATION:** On March 6, 2008, notice was published in the *Federal Register* (73 FR 12137) that a request for a permit to take the species identified above had been submitted by the MMRP. The permit was issued on June 30, 2009 (74 FR 33210), under the authority of the Marine Mammal Protection Act of 1972, as amended (16 U.S.C. 1361 *et seq.*), the regulations governing the taking and importing of marine mammals (50 CFR part 216), the Endangered Species Act of 1973, as amended (ESA; 16 U.S.C. 1531 *et seq.*), and the regulations governing the taking, importing, and exporting of endangered and threatened species (50 CFR parts 222-226). Notice of the proposed amendment was published on June 30, 2009 (74 FR 33210).

Permit No. 10137 authorizes the MMRP to: (1) assess survivorship, reproductive rates, pup production, condition, abundance, movements among subpopulations, and incidence and causes of injury or mortality of Hawaiian monk seals; (2) diagnose disease, monitor exposure to disease, and develop normal baseline hematology and biochemistry parameters; (3) conduct activities to increase survival of individuals; and (4) investigate foraging ecology to determine foraging locations, diving parameters, characteristics of foraging substrate, and prey identification and foraging behaviors.

Permit No. 10137-01 amends and replaces Permit No. 10137. Permit No. 10137-01 authorizes the activities describe above and includes authorization to translocate six pups from French Frigate Shoals to Nihoa Island in 2009. Further translocations of up to 20 pup or juvenile between islands/atolls within the Northwestern Hawaiian Islands, as described in the original permit application, will be deferred until a separate Endangered Species Act section 7 consultation is

completed. At such time, NMFS proposes to amend Permit No. 10137-01 to include additional translocations of seals. Permit No. 10137-01 expires on June 30, 2014.

In compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), an environmental assessment was prepared analyzing the effects of the permitted activities. After a Finding of No Significant Impact, the determination was made that it was not necessary to prepare an environmental impact statement.

Issuance of this permit, as required by the ESA, was based on a finding that such permit: (1) was applied for in good faith; (2) will not operate to the disadvantage of such endangered species; and (3) is consistent with the purposes and policies set forth in section 2 of the ESA.

Dated: August 14, 2009.

**P. Michael Payne,**

*Chief, Permits, Conservation and Education Division, Office of Protected Resources, National Marine Fisheries Service.*

[FR Doc. E9-20032 Filed 8-19-09; 8:45 am]

**BILLING CODE 3510-22-S**

## DEPARTMENT OF COMMERCE

### Foreign-Trade Zones Board

[Order No. 1638]

#### Reorganization/Expansion of Foreign-Trade Zone 26; Atlanta, GA, Area

Pursuant to its authority under the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a-81u), the Foreign-Trade Zones Board (the Board) adopts the following Order:

*Whereas*, the Georgia Foreign-Trade Zone, Inc., grantee of Foreign-Trade Zone 26, submitted an application to the Board for authority to reorganize and expand its zone to remove acreage from Site 2, delete Site 8 in its entirety, and add eight new sites (proposed Sites 11-18) in the Atlanta, Georgia, area, within and adjacent to the Atlanta Customs and Border Protection port of entry (FTZ Docket 55-2008, filed 10/6/08);

*Whereas*, notice inviting public comment was given in the **Federal Register** (73 FR 60676-60677, 10/14/08; correction, 73 FR 63675, 10/27/08) and the application has been processed pursuant to the FTZ Act and the Board's regulations; and,

*Whereas*, the Board adopts the findings and recommendation of the examiner's report, and finds that the requirements of the FTZ Act and Board's regulations are satisfied, and that the proposal, with respect to Site 2,

Site 8 and Sites 11-17, is in the public interest;

*Now, therefore*, the Board hereby orders:

The application to reorganize and expand FTZ 26 is approved in part (with respect to Site 2, Site 8 and Sites 11-17), subject to the FTZ Act and the Board's regulations, including Section 400.28, and to the Board's standard 2,000-acre activation limit for the overall general-purpose zone project, and further subject to a sunset provision that would terminate authority on August 31, 2014, for Sites 11-17 where no activity has occurred under FTZ procedures before that date.

Signed at Washington, DC, this 7th day of August 2009.

**Ronald K. Lorentzen,**

*Acting Assistant Secretary of Commerce for Import Administration, Alternate Chairman, Foreign-Trade Zones Board.*

**Andrew McGilvray,**

*Executive Secretary.*

[FR Doc. E9-20025 Filed 8-19-09; 8:45 am]

**BILLING CODE P**

## COMMODITY FUTURES TRADING COMMISSION

### Notice of Intent, Pursuant to the Authority in Section 2(h)(7) of the Commodity Exchange Act and Commission Rule 36.3(c)(3), To Undertake a Determination Whether the Carbon Financial Instrument Contract Offered for Trading on the Chicago Climate Exchange, Inc., Performs a Significant Price Discovery Function

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Notice of action and request for comment.

**SUMMARY:** The Commodity Futures Trading Commission ("CFTC" or "Commission") is undertaking a review to determine whether the Carbon Financial Instrument contract offered for trading on the Chicago Climate Exchange, Inc. (CCX), an exempt commercial market ("ECM") under Sections 2(h)(3)-(5) of the Commodity Exchange Act ("CEA" or the "Act"), performs a significant price discovery function. Authority for this action is found in section 2(h)(7) of the CEA and Commission rule 36.3(c) promulgated thereunder. In connection with this evaluation, the Commission invites comment from interested parties.

**DATES:** Comments must be received on or before September 4, 2009.

**ADDRESSES:** Comments may be submitted by any of the following methods:

- Follow the instructions for submitting comments. *Federal eRulemaking Portal*: <http://www.regulations.gov>.

- *E-mail*: [secretary@cftc.gov](mailto:secretary@cftc.gov). Include CCX Carbon Financial Instrument Contract in the subject line of the message.

- *Fax*: (202) 418-5521.

- *Mail*: Send to David A. Stawick, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581

- *Courier*: Same as mail above.

All comments received will be posted without change to <http://www.CFTC.gov/>.

**FOR FURTHER INFORMATION CONTACT:**

Gregory K. Price, Industry Economist, Division of Market Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581. Telephone: (202) 418-5515. E-mail: [gprice@cftc.gov](mailto:gprice@cftc.gov); or Susan Nathan, Senior Special Counsel, Division of Market Oversight, same address. Telephone: (202) 418-5133. E-mail: [snathan@cftc.gov](mailto:snathan@cftc.gov).

**SUPPLEMENTARY INFORMATION:**

**I. Introduction**

On March 16, 2009, the CFTC promulgated final rules implementing provisions of the CFTC Reauthorization Act of 2008 (“Reauthorization Act”)<sup>1</sup> which subjects ECMs with significant price discovery contracts (“SPDCs”) to self-regulatory and reporting requirements, as well as certain Commission oversight authorities, with respect to those contracts. Among other things, these rules and rule amendments revise the information-submission requirements applicable to ECMs, establish procedures and standards by which the Commission will determine whether an ECM contract performs a significant price discovery function, and provide guidance with respect to compliance with nine statutory core principles applicable to ECMs with SPDCs. These rules became effective on April 22, 2009.

In determining whether an ECM’s contract is or is not a SPDC, the Commission will consider the contract’s material liquidity, price linkage to other contracts, potential for arbitrage with other contracts traded on designated contract markets or derivatives

transaction execution facilities, use of the ECM contract’s prices to execute or settle other transactions, and other factors.

In order to facilitate the Commission’s identification of possible SPDCs, Commission rule 36.3(c)(2) requires that an ECM operating in reliance on section 2(h)(3) promptly notify the Commission and provide supporting information or data concerning any contract: (i) that averaged five trades per day or more over the most recent calendar quarter; and (ii) (A) for which the ECM sells price information regarding the contract to market participants or industry publications; or (B) whose daily closing or settlement prices on 95 percent or more of the days in the most recent quarter were within 2.5 percent of the contemporaneously determined closing, settlement, or other daily price of another agreement.

**II. Determination of a SPDC**

*A. The SPDC Determination Process*

Commission rule 36.3(c)(3) establishes the procedures by which the Commission makes and announces its determination on whether a specific ECM contract serves a significant price discovery function. Under those procedures, the Commission will publish a notice in the **Federal Register** that it intends to undertake a determination as to whether the specified agreement, contract, or transaction performs a significant price discovery function and to receive written data, views, and arguments relevant to its determination from the ECM and other interested persons.<sup>2</sup> After prompt consideration of all relevant information, the Commission will, within a reasonable period of time after the close of the comment period, issue an order explaining its determination. Following the issuance of an order by the Commission that the ECM executes or trades an agreement, contract, or transaction that performs a significant price discovery function, the ECM must demonstrate, with respect to that agreement, contract, or transaction, compliance with the core principles under section 2(h)(7)(C) of the CEA<sup>3</sup> and the applicable provisions of Part 36. If the Commission’s order represents the first time it has determined that one of the ECM’s contracts performs a significant price discovery function, the ECM must submit a written

demonstration of its compliance with the core principles within 90 calendar days of the date of the Commission’s order. For each subsequent determination by the Commission that the ECM has an additional SPDC, the ECM must submit a written demonstration of its compliance with the core principles within 30 calendar days of the Commission’s order.

*B. CCX Carbon Financial Instrument Contract*

CCX identifies its CFI contract as a cash contract that requires the physical delivery of CCX carbon dioxide (CO<sub>2</sub>) emission allowances called CFIs.<sup>4</sup> The size of the CCX CFI contract is 1,000 metric tons (MT) of CO<sub>2</sub>-equivalent emissions,<sup>5</sup> which are equal to 10 CFIs (each CFI specifies 100 MT CO<sub>2</sub>-equivalent emissions). All trades in the subject contract results in the physical delivery of CFIs.

The CCX carbon reduction program is voluntary where certain entities choose to reduce their GHG emissions. In general, the electric utilities and manufacturers combined comprise the largest share of the program participants. Once an entity decides to reduce its GHG emissions, it signs a legally-binding contract with the CCX. Participants are given allowances by the CCX to cover emissions level targets, and additional credits can be created by investing in offset projects. If an entity’s plant cannot meet its reduction requirements through new investments and/or technological improvements, additional allowances can be purchased from other program participants.

The program specifies that carbon emission reductions be completed over two phases. Phase I (applicable between

<sup>4</sup> The instruments listed by an ECM in reliance on the exemption in section 2(h)(3) of the Act are determined by the ECM when it files notice with the Commission, pursuant to section 2(h)(5), of its intention to rely on the exemption. Section 2(h)(7) authorizes the Commission to determine whether an ECM “agreement, contract or transaction” performs a significant price discovery function, but does not require that the Commission also determine whether the instrument is otherwise subject to the Commission’s jurisdiction (i.e., a futures or commodity option contract). Instead, the descriptive language of section 2(h)(7) mirrors the “[conducted] in reliance on the exemption” language of section 2(h)(5) and refers merely to “agreement, contract or transaction.” Thus, the statutory language directs the Commission, in determining whether an ECM instrument is a SPDC, to evaluate any instrument listed by an ECM in reliance on the section 2(h)(3) exemption under the SPDC process set forth in the Part 36 rules.

<sup>5</sup> Greenhouse gases (GHGs) include CO<sub>2</sub>, methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF<sub>6</sub>). The negative impact that each non-CO<sub>2</sub> GHGs has on the environment can be expressed as a multiple of CO<sub>2</sub>’s environmental effect.

<sup>1</sup> 74 FR 12178 (Mar. 23, 2009); these rules became effective on April 22, 2009.

<sup>2</sup> The Commission may commence this process on its own initiative or on the basis of information provided to it by an ECM pursuant to the notification provisions of Commission rule 36.3(c)(2).

<sup>3</sup> 7 U.S.C. 2(h)(7)(C).

2003 and 2006) required a commitment to reducing each participant's carbon emissions by one percent per year below its own baseline level (calculated as the average of the firm's carbon emissions between 1998 and 2001). Phase II (which runs from 2007 through 2010) requires participants to commit to an emissions reduction schedule that results in a six-percent decline in CO<sub>2</sub> output by 2010. Participants' baseline estimates as well as their emissions levels and progress toward meeting the reduction requirements are audited by the Financial Industry Regulatory Authority (FINRA).

CFIs are distributed for multiple program years at the time of entry into the program through the end of the current phase. Each CFI is dated with a particular calendar year (vintage), with the vintage indicating the compliance year for which it is redeemable. Alternatively, entities can save their excess CFIs for use in future compliance periods. The CCX also auctions a certain number of current- and future-year CFIs. Allowances are recorded electronically and title transfers between entities are effected within the CCX's electronic registry. Each year in April, the CCX compares each participant's reported emissions from the previous calendar year to the number of allowances held that are dated with the compliance year, or with earlier years. Firms surrender the appropriate number of allowances that covers their emissions, and the redeemed CFIs are deducted from the firms' accounts. Unused allowances that are not needed for compliance in the current year are rolled forward and are included in the allowance supply for the following year. Alternatively, plants can sell excess allowances to other market participants.

As noted above, the CCX's GHG reduction program allows for the creation of CFIs through offset projects. In this regard, the CCX issues CFIs to entities that own, implement, or aggregate eligible projects on the basis of sequestration, destruction, or displacement of GHG emissions. The offset project categories for which the CCX issues CFIs include agricultural, coal mine and landfill methane, agricultural and rangeland soil carbon, forestry, renewable energy, energy efficiency and fuel switching, and clean development mechanism projects.

Based upon a required quarterly notification filed on July 1, 2009 (mandatory under Rule 36.3(c)(2)), the CCX reported that, with respect to its CFI contract, an average of 15 separate trades per day occurred in the second quarter of 2009. During the same period, the CFI had an average daily trading

volume of 1,235 contracts. In the first quarter of 2009, market participants traded the CFI contract on average 29 times per day with an average total daily trading volume of 2,661 contracts. Because the CFI contract requires immediate delivery and payment on the following day, open interest figures are not applicable.

It appears that the CCX CFI contract may satisfy the material liquidity and material price reference factors for SPDC determination. With respect to material liquidity, daily trading in the CFI contract exceeds an average of ten trades per day. Moreover, the average daily trading volume in the CFI is greater than 1,000 contracts per day. In regard to material price reference, the CFI market is solely a CCX-created entity. In this regard, the CCX designed all of the parameters of this carbon emission reduction program, as well as established the rules for membership in the ECM, allowance trading, and the creation of offsets. The only existing market in which CFIs can be bought and sold on a spot basis is the CCX cash market. Thus, traders look to the CCX as a source of price information and price discovery for the CFIs. Moreover, the Chicago Climate Futures Exchange, a subsidiary of the CCX, trades a futures contract which specifies the delivery of CFIs.

The instruments listed by an ECM in reliance on the exemption in section 2(h)(3) of the CEA are determined by the ECM when it files notice with the Commission, pursuant to section 2(h)(5), of its intention to rely on the exemption. Section 2(h)(7) authorizes the Commission to determine whether an ECM's "agreement, contract or transaction" performs a significant price discovery function, but does not require that the Commission also determine whether the instrument is otherwise subject to the Commission's jurisdiction (i.e., a futures or commodity option contract). Instead, the descriptive language of section 2(h)(7) mirrors the "[conducted] in reliance on the [2(h)(5)] exemption" language of section 2(h)(5) and refers merely to an "agreement, contract or transaction." The statutory language indicates that any instrument listed by an ECM in reliance on the exemption in section 2(h)(3) of the CEA—including a cash contract that generally is not subject to the Commission's jurisdiction—has the potential to be or become a SPDC. Accordingly, contracts identified to the Commission as listed in reliance on section 2(h)(3) should be evaluated under the SPDC process set forth in the Part 36 rules.

### III. Request for Comment

In evaluating whether an ECM's agreement, contract, or transaction performs a significant price discovery function, section 2(h)(7) of the CEA directs the Commission to consider, as appropriate, four specific criteria: price linkage, arbitrage, material price reference, and material liquidity. As it explained in Appendix A to the Part 36 rules, the Commission, in making SPDC determinations, will apply and weigh each factor, as appropriate, to the specific contract and circumstances under consideration.

As part of its evaluation, the Commission will consider the written data, views, and arguments from any ECM that lists the potential SPDC and from any other interested parties. Accordingly, the Commission requests comment on whether the CCX CFI contract performs a significant price discovery function. Commenters' attention is directed particularly to Appendix A of the Commission's Part 36 rules for a detailed discussion of the factors relevant to a SPDC determination. The Commission notes that comments which analyze the contract in terms of these factors will be especially helpful to the determination process. In order to determine the relevance of comments received, the Commission requests that commenters explain in what capacity are they knowledgeable about the CFI contract.

### IV. Related Matters

#### A. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 ("PRA")<sup>6</sup> imposes certain requirements on federal agencies, including the Commission, in connection with their conducting or sponsoring any collection of information, as defined by the PRA. Certain provisions of final Commission rule 36.3 impose new regulatory and reporting requirements on ECMs, resulting in information collection requirements within the meaning of the PRA; OMB previously has approved and assigned OMB control number 3038-0060 to this collection of information.

#### B. Cost-Benefit Analysis

Section 15(a) of the CEA<sup>7</sup> requires the Commission to consider the costs and benefits of its actions before issuing an order under the Act. By its terms, section 15(a) does not require the Commission to quantify the costs and benefits of an order or to determine whether the benefits of the order outweigh its costs; rather, it requires

<sup>6</sup> 44 U.S.C. 3507(d).

<sup>7</sup> 7 U.S.C. 19(a).

that the Commission “consider” the costs and benefits of its action. Section 15(a) further specifies that the costs and benefits shall be evaluated in light of five broad areas of market and public concern: (1) Protection of market participants and the public; (2) efficiency, competitiveness, and financial integrity of futures markets; (3) price discovery; (4) sound risk management practices; and (5) other public interest considerations. The Commission may in its discretion give greater weight to any one of the five enumerated areas and could in its discretion determine that, notwithstanding its costs, a particular order is necessary or appropriate to protect the public interest or to effectuate any of the provisions or accomplish any of the purposes of the Act. The Commission has considered the costs and benefits of this Order in light of the specific provisions of section 15(a) and has concluded that this Order, which strengthens Federal oversight of the ECM and helps to prevent market manipulation, is necessary and appropriate to accomplish the purposes of section 2(h)(7) which, among other provisions, directs the Commission to evaluate all contracts listed on ECMs to determine whether they serve a significant price discovery function.

When a futures contract begins to serve a significant price discovery function, that contract, and the ECM on which it is traded, warrants increased oversight to deter and prevent price manipulation and other disruptions to market integrity, both on the ECM itself and in any related futures contracts trading on designated contract markets (“DCMs”). An Order finding that a particular contract is a SPDC triggers this increased oversight and imposes obligations and responsibilities on the ECM which are calculated to accomplish this goal. This increased oversight in turn increases transparency and helps to ensure fair competition among ECMs and DCMs trading similar products and competing for the same business. Moreover, the ECM on which the SPDC is traded must assume, with respect to that contract, all the responsibilities and obligations of a registered entity under the CEA and Commission regulations. Additionally, the ECM must comply with core principles established by section 2(h)(7) of the Act, including the obligation to establish position limits and/or accountability standards for the SPDC. These increased ECM responsibilities, along with the CFTC’s enhanced regulatory authority, subject the ECM’s risk management practices to the

Commission’s supervision and oversight and generally enhance the financial integrity of the markets.

Issued in Washington, DC on August 13, 2009 by the Commission.

**David A. Stawick,**

*Secretary of the Commission.*

[FR Doc. E9–20024 Filed 8–19–09; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF DEFENSE

### Department of the Air Force

#### **Availability of the Fiscal Year 2008 Air Force Services Contract Inventory Pursuant to Section 807 of the National Defense Authorization Act for Fiscal Year 2008**

**AGENCY:** Department of the Air Force, DOD.

**ACTION:** Notice of publication.

**SUMMARY:** In accordance with section 2330a of Title 10 United States Code as amended by the National Defense Authorization Act for Fiscal Year 2008 (NDAA 08) Section 807, the Associate Deputy Assistant Secretary of the Air Force (Contracting) (ADAS(C)), Assistant Secretary (Acquisition), and the Office of the Director, Defense Procurement and Acquisition Policy, Office of Strategic Sourcing (DPAP/SS) will make available to the public the first inventory of activities performed pursuant to contracts for services. The inventory will be published to the Air Force Contracting (SAF/AQC) Web site at the following location: <http://ww3.safaq.hq.af.mil/contracting/>.

**DATES:** Inventory to be made publically available within 30 days of publication of this notice.

**ADDRESSES:** Send written comments and suggestions concerning this inventory to Laura Welsh, Procurement Analyst, Office of the Deputy Assistant Secretary (Contracting), Assistant Secretary of the Air Force (Acquisition), SAF/AQC, 1060 Air Force Pentagon, Washington, DC 20330–1060. Telephone (703) 588–7047 or e-mail at [Laura.Welsh@pentagon.af.mil](mailto:Laura.Welsh@pentagon.af.mil).

**FOR FURTHER INFORMATION CONTACT:** Laura Welsh, (703) 588–7047 or e-mail at [Laura.Welsh@pentagon.af.mil](mailto:Laura.Welsh@pentagon.af.mil).

**SUPPLEMENTARY INFORMATION:** NDAA 08, Section 807 amends section 2330a of Title 10 United States Code to require annual inventories and reviews of activities performed on services contracts. The Deputy Under Secretary of Defense (Acquisition and Technology) (DUSD(AT)) transmitted

the Air Force inventory to Congress on August 4, 2009.

The SAF/AQC submitted the Air Force Fiscal Year 2008 Services Contract Inventory to the Office of the DPAP/SS on July 1, 2009. Included with this inventory is a narrative that describes the methodology for data collection, the inventory data, and the plan for review of this inventory. The narrative and cover letters may be downloaded in electronic form (.pdf file) from the Web site at the following location: <http://ww3.safaq.hq.af.mil/contracting/>. The inventory does not include contract numbers, contractor identification or other proprietary or sensitive information as these data can be used to disclose a contractor’s proprietary proposal information.

An inventory of classified services contracts is not available and not published.

**Bao-Anh Trinh,**

*Air Force Federal Register Liaison Officer.*

[FR Doc. E9–20042 Filed 8–19–09; 8:45 am]

**BILLING CODE 5001–05–P**

## DEPARTMENT OF EDUCATION

### **Office of Special Education and Rehabilitative Services; Overview Information; Technology and Media Services for Individuals With Disabilities—Research and Development Center on Digital Images and Graphic Content in Accessible Instructional Materials; Notice Inviting Applications for New Awards for Fiscal Year (FY) 2010**

*Catalog of Federal Domestic Assistance (CFDA) Number: 84.327B.*

*Dates: Applications Available: August 20, 2009.*

*Deadline for Transmittal of Applications: October 19, 2009.*

*Deadline for Intergovernmental Review: December 18, 2009.*

#### **Full Text of Announcement**

##### **I. Funding Opportunity Description**

*Purpose of Program:* The purposes of the Technology and Media Services for Individuals with Disabilities program are: (1) To improve results for children with disabilities by promoting the development, demonstration, and use of technology; (2) to support educational media services activities designed to be of educational value in the classroom setting to children with disabilities; and (3) to provide support for captioning and video description of educational materials that are appropriate for use in the classroom setting.