

(c) If assessment of administrative costs is considered appropriate after review by the AGC, the contracting officer shall make a written demand on the contractor for administrative costs. The written demand shall describe the basis for the assessment and the cost computations. The same demand letter may be used to assess administrative costs and any excess costs. If the contractor fails to make payment after receiving a contracting officer's final decision, the contracting officer shall follow the procedures in Subpart 1332.6 and FAR Subpart 32.6 to collect the amount owed the Government.

(d) The recovery of excess or administrative costs does not preclude the Government from exercising other rights or remedies which it may have by law or under the terminated contract.

PART 1352-SOLICITATION PROVISIONS AND CONTRACT CLAUSES

21. Part 1352 is amended by adding a new Subpart 1352.2 as follows:

Subpart 1352.2—Texts of Provisions and Clauses

1352.219-1 Women-owned small business sources.

As prescribed in 1319.7003, insert the following provision:

Women-Owned Small Business Sources (May 1985)

The contractor agrees to develop a list of qualified bidders that are women-owned small businesses. The Small Business Administration Procurement and Automated Source System (PASS) and the Minority Vendor Profile System (MVPS) may be used for this purpose. The contractor may contact the Department of Commerce, Office of Small and Disadvantaged Business Utilization (OSDBU) for assistance.

The Contractor shall provide opportunities for women-owned small businesses to compete for subcontracts by making information on forthcoming opportunities available.

Where the clause "Small Business and Small Disadvantaged Business Subcontracting Plan" is required in accordance with FAR 19.708(b), the contractor shall include qualified women-owned small businesses in the subcontracting plan.

(End of Provision)

1352.233-2 Service of protest.

As prescribed in 1333.106, insert the following provision:

Service of Protest (Jan. 1985) (Deviation FAR 52.233-2)

Protests, as defined in § 33.101 of the Federal Acquisition Regulation, shall be served on the Contracting Officer and the Contract Law Division of the Office of the

Assistant General Counsel for Finance and Litigation by obtaining written and dated acknowledgement of receipt from the Contracting Officer or the head of the contracting office or designee and from the Contract Law Division of the Office of the Assistant General Counsel for Finance and Litigation located at the U.S. Department of Commerce, Herbert C. Hoover Building, Room H5862, 14th St. between Pennsylvania and Constitution Avenues, NW., Washington, DC 20230.

[Insert the address of the contracting officer or refer to the number of the block on the Standard Form 33 or 1442, etc., where the address of the contracting office is located.]
(End of Provision)

[FR Doc. 86-9053 Filed 4-22-86; 8:45 am]
BILLING CODE 3510-17-M

DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

49 CFR Parts 192 and 195

[Amdts. 192-51 and 195-37; Docket No. PS-86]

Transportation of Gas or Hazardous Liquid by Pipeline; Updating Steel Line Pipe Specifications

AGENCY: Research and Special Programs Administration (RSPA), DOT.

ACTION: Final rule.

SUMMARY: These amendments update the existing incorporation by reference of the American Petroleum Institute (API) specifications for steel line pipe, API 5L, 5LS, and 5LX, by adopting the 1985 edition of API Specification 5L for gas and hazardous liquid pipelines. API 5L, 5LS, and 5LX have been consolidated into one specification by the API. Editions prior to the 1985 edition are out of print, although provisions are made for their appropriate use.

EFFECTIVE DATE: May 23, 1986.

FOR FURTHER INFORMATION CONTACT: William A. Gloe (202) 426-2082, regarding the content of this amendment, or the Dockets Branch (202) 426-3148, regarding copies of the amendment or other information in the docket file for this proceeding.

SUPPLEMENTARY INFORMATION:

Background

RSPA published a Notice of Proposed Rulemaking in the Federal Register on November 27, 1985 (50 FR 48809), proposing to adopt the 1985 edition of API Specification 5L for line pipe and providing the following information:

Parts 192 and 195 incorporate by reference the 1980 editions of API Specifications 5L (Line Pipe), 5LS (Spiral-Weld Line Pipe), and 5LX (High-Test Line Pipe). In Part 192, each specification is included among "listed specifications" which must be followed in pipe manufacture to qualify steel pipe for use in gas pipelines. In Part 195, the specifications serve to denote allowable design factors for steel pipe. Under both parts the specifications are used for determining yield strength when specified minimum yield strength is unknown.

These API specifications have been the most predominantly used specifications for steel line pipe in the industry and have been maintained separately to identify different grades and types of pipe as they were originally developed. In 1983, the three specifications were consolidated into one by the API, using the identification, API Specification 5L, and the title, "API Specification for Line Pipe." All grades and types of steel line pipe are now combined in the one specification. Since 1983, API 5L has been revised to incorporate editorial changes in the 1984 edition, and recently in the 1985 edition, to provide requirements for a higher strength X80 grade (80,000 psi specified minimum yield strength).

Comments on the Notice

All comments received by RSPA in response to the notice were favorable for adoption of the 1985 edition of API Specification 5L without exception or condition. Comments were received from the Battelle Columbus Laboratories, the Champlin Petroleum Company, the Interstate Natural Gas Association of America, the Michigan Department of Commerce, Mountain Fuel Resources, Inc., Mountain Fuel Supply Company, the Northern Natural Gas Company, the Ohio Gas and Electric, the Southern California Gas Company, the Tennessee Gas Pipeline Company, Texas Eastern Pipeline Company, the Transcontinental Gas Pipeline Company, Washington Gas, and the API. Commentary had also previously been provided by Battelle and the Bethlehem Steel Corporation in advisory committee meetings.

In the notice, RSPA had invited comments on increasing the yield/tensile (Y/T) ratio for the X80 grade in the 1985 edition of API 5L, stating:

Besides the inclusion of the X80 grade, other changes in the 1985 edition are (1) an increase in the yield/tensile ratio from .90 for X70 to .93 for X80, and (2) allowing supplementary fracture toughness requirements to replace the yield/tensile ratio by agreement between the purchaser and the manufacturer for any grade of pipe. Interested persons having experience and background qualifications in this area are invited to comment on the safety impact of these changes if any is perceived. RSPA is particularly interested in receiving comments

on the .93 yield/tensile ratio for X80 steel line pipe because it represents a reduction, although small, of the margin between the maximum operating stress level (72 percent of the specified yield strength) and the ultimate tensile strength.

No commenter perceived a safety impact from the increase in the maximum Y/T ratio for the new X80 grade, although questions were raised with regard to the purpose and application of the ratio in the specification. The API states that it incorporated the Y/T ratio in the specification to limit the amount of cold expansion in the manufacture of lower strength grades of pipe, resulting in an increase in yield strength but no change in ultimate tensile strength. The API provided the following explanation:

When Y/T ratio first appeared in API 5LX in the early 1950's, the API Committee on Standardization of Tubular Goods believed that a limitation should be placed on the amount of cold expansion of pipe to enhance its yield strength. The method chosen to do this was a Y/T ratio limitation. The original Y/T ratio limitation was 0.85. When Grade X65 was first approved, a Y/T ratio of 0.90 was established for wall thicknesses greater than 0.375 inches. When Grade X70 was added, a Y/T ratio limitation was set at 0.90.

Tennessee Gas also commented on the history of the Y/T limitation, providing the following information.

The nature of steel is such that, as the strength increases, the ratio of yield strength to tensile strength becomes greater. Therefore, it was necessary for the Y/T ratio limitation to be increased for the higher strength grades. Otherwise, the pipe could not be manufactured and meet the specification.

In recent years, it has been necessary for pipe users to specify line pipe with high toughness properties. In order to provide pipe with greater toughness in an economical manner while maintaining acceptable weldability, pipe manufacturers developed specialized rolling procedures for the plate. These procedures resulted in pipe with a higher than normal Y/T ratio. Since one of the significant pipe properties affected by excessive cold expansion is fracture toughness, the Committee agreed that, for pipe that is made to a fracture toughness requirement, the Y/T ratio was unnecessary. The standards were then changed in 1981 to accommodate this problem.

It must be mentioned that none of this affected the specified minimum values for yield strength, tensile strength or ductility.

Also, the Michigan Department of Commerce stated that it supports the RSPA proposal, but expressed reservations as to whether X80 steel line pipe should be used for natural gas systems. The comment letter stated in part:

The reservations we have come from an article that appeared in the Wall Street

Journal on January 16, 1984 regarding high strength steel. (See attached copy.) We request that RSPA and/or experts in metallurgy consider the contents of this article and determine if X80 line pipe has its place in the natural gas pipeline systems.

The article referred to discusses failures, such as the Alexander L. Kielland hotel platform in the North Sea, metal-in-the-body failures, hydrogen storage tank failures and problems with high strength steel vessel walls of nuclear reactors, as well as automobile and aircraft failures. RSPA has reviewed the article (noting that the cause for the Kielland platform failure was not related to the use of high strength steel) and has consulted with expert metallurgists who are either members of the API Tubular Goods Standardization Committee or are employed by the Committee. The problems discussed in the article should not arise in the operation of gas pipelines because of the additional inspection and testing requirements for the construction of gas pipelines (including hydrostatic testing) and because of the amount of testing and evaluation that is done before approval of a new steel pipe grade and inclusion of API Specification 5L. Failures of materials discussed are those that are related to improper practices or to the usage of nonstandard alloy or heat-treated steels that are not produced in accordance with the requirements of a stringent specification and that may be used in nonregulated applications. As a result, this final rule permits the use of X80 steel line pipe subject to meeting all of the requirements of API Specification 5L, including mandatory fracture toughness requirements. Persons having a further interest should specifically address the requirements of the specification.

Use of Other Editions

Three commenters pointed out a possible problem with regard to the removal of reference to the earlier editions of API 5LS and 5LX and suggested a change to § 192.7. Incorporation by reference. Because RSPA does not intend to prohibit the use of line pipe that may have been manufactured to formerly listed editions and stock-piled for later use, the language suggested to clarify § 192.7(c) is incorporated by this final rule as an editorial change.

Advisory Committee Review

Section 4(b) of the Natural Gas Pipeline Safety Act of 1968, as amended (49 U.S.C. 1673(b)), and section 204(b) of the Hazardous Liquid Pipeline Safety Act of 1979 (40 U.S.C. 2003(b)) require that each proposed amendment to a

safety standard established under these statutes be submitted to a 15-member advisory committee for its consideration. The Technical Pipeline Safety Standards Committee, composed of persons knowledgeable about transportation of gas by pipeline, considered the proposed amendments to §§ 192.55, 192.113, Appendix A, and Appendix B of Part 192 in a meeting on December 10, 1985, in Washington, D.C. The Technical Hazardous Liquid Pipeline Safety Standards Committee considered the proposed amendments to §§ 195.3 and 195.106 in a meeting on November 18, 1985, in Washington, D.C. Both committees found the proposed amendments to be technically feasible, reasonable, and practicable. A copy of the report of each committee is available in the docket for review.

Classification

This final rule is considered to be nonmajor under Executive Order 12291 and is not a significant rule under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). The economic impact of this final rule has been found to be so minimal that further evaluation is unnecessary. The rule merely updates the incorporation by reference provisions of 49 CFR Parts 192 and 195 with regard to API specifications for line pipe.

Since the impact of this final rule is expected to be minimal, the agency certifies that it will not have a significant economic impact on a substantial number of small entities.

List of Subjects in 49 CFR Parts 192 and 195

Pipeline safety, Incorporation by reference, Line pipe.

PART 192—[AMENDED]

In view of the foregoing, RSPA amends 49 CFR Parts 192 and 195 as follows:

1. The authority citation for Part 192 continues to read as follows:

Authority: 49 U.S.C. 1672; 49 U.S.C. 1804; 49 CFR 1.53, and Appendix A of Part 1.

2. By revising § 192.7(c) to read:

§ 192.7 Incorporation by reference.

(c) The full titles for the publications incorporated by reference in this part are provided in Appendix A to this part. Numbers in parentheses indicate applicable editions. Earlier editions of documents listed or editions of documents formerly listed in previous editions of Appendix A may be used for materials and components

manufactured, designed, or installed in accordance with those earlier editions or earlier documents at the time they were listed. The user must refer to the appropriate previous edition of 49 CFR for a listing of the earlier listed editions or documents.

3. By revising § 192.55(e) to read:

§ 192.55 Steel pipe.

(e) New steel pipe that has been cold expanded must comply with the mandatory provisions of API Specification 5L.

§ 192.113 [Amended]

4. By amending § 192.113 to remove reference to API 5LX and API 5LS and related entries from the table of longitudinal joint factors.

5. By amending Appendix A to Part 192 to remove and reserve subdivisions II.A.(5) and II.A.(6) and by amending II.A.(4) by changing "(1980)" to "(1985)."

6. By amending subdivision I of Appendix B to Part 192 to remove "API 5LS-Steel pipe (1980)" and "API 5LX-Steel pipe (1980)" from the listed pipe specifications, and by removing the date "(1980)" following "API 5L-Steel pipe" and inserting in its place "(1985)."

7. By revising the introductory text of subdivision II.D. of Appendix B to Part 192 to read:

Appendix B—Qualification of Pipe

II. ***

D. Tensile Properties: If the tensile properties of the pipe are not known, the minimum yield strength may be taken as 24,000 p.s.i. or less, or the tensile properties may be established by performing tensile tests as set forth in API Specification 5L. All test specimens shall be selected at random and the following number of tests must be performed:

PART 195—[AMENDED]

8. The authority citation of Part 195 continues to read as follows:

Authority: 49 U.S.C. 2002; 49 CFR 1.53, and Appendix A to Part 1.

9. By amending § 195.3 to remove paragraphs (c)(1)(iv) and (c)(1)(v) and by amending paragraph (c)(1)(iii) by changing "(1980)" to "(1985)".

10. By revising the introductory text of § 195.106(b) to read:

§ 195.106 Internal Design Pressure.

(b) The yield strength to be used in determining internal design pressure under paragraph (a) of this section is the

specified minimum yield strength. If the specified minimum yield strength is not known, the yield strength is determined by performing all of the tensile tests of API Specification 5L on randomly selected test specimens with the following number of tests:

* * * * *
11. By amending § 195.106(e) to remove reference to API 5LX and API 5LS and related entries from the table of seam joint factors.

Issued in Washington, D.C., on April 17, 1986.

M. Cynthia Douglass,
Administrator, Research and Special
Programs Administration.
[FR Doc. 86-9018 Filed 4-22-86; 8:45 am]
BILLING CODE 4910-60-M

National Highway Traffic Safety Administration

49 CFR Part 533

[Docket No. FE-86-01, Notice 2]

Light Truck Average Fuel Economy Standards; Model Year 1988

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation.

ACTION: Final rule.

SUMMARY: This notice establishes new light truck average fuel economy standards for model year 1988. The standards are required to be established at the maximum feasible level under section 502(b) of the Motor Vehicle Information and Cost Savings Act. Based on its analysis, the agency is establishing a combined average fuel economy standard of 20.5 mpg for model year 1988 light trucks. Optional separate standards of 21.0 mpg for two-wheel drive light trucks and 19.5 mpg for four-wheel drive light trucks are also established.

DATES: The amendments made by this rule to the Code of Federal Regulations are effective May 23, 1986. The standards are applicable to the 1988 model year. Petitions for reconsideration must be submitted within 30 days of publication.

ADDRESS: Petitions for reconsideration should be submitted to: Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Mr. Robert Shelton, Office of Market Incentives, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590 (202-755-9384).

SUPPLEMENTARY INFORMATION:

Background

On January 24, 1986, NHTSA published in the Federal Register (51 FR 3221) a notice of proposed rulemaking (NPRM) on the establishment of light truck average fuel economy standards for model years 1988 and 1989. The issuance of the standards for those years is required by section 502(b) of the Motor Vehicle Information and Cost Savings Act, 15 U.S.C. 2002(b). That provision requires the Secretary of Transportation to set light truck standards at the "maximum feasible average fuel economy level" for each model year after model year 1978. In determining the "maximum feasible" level, the Secretary is directed to consider four factors: technological feasibility, economic practicability, the effect of other Federal motor vehicle standards on fuel economy, and the need of Nation to conserve energy. See 15 U.S.C. 2002(e).

The agency's January 1986 NPRM proposed ranges of possible standards for all types of light trucks, with the 1988 combined standard to be set within the range of 20.5 mpg to 22.0 mpg, and the 1989 combined standard to be set within the range of 20.5 mpg to 22.5 mpg. As a compliance alternative to the combined standard, the agency also proposed separate standards for two- and four-wheel drive vehicles. The agency stated that in view of factual uncertainties, the setting of standards outside the proposed ranges was possible depending on the comments that might be submitted.

NHTSA received comments on the NPRM from General Motors, Ford, Chrysler, American Motors, Volkswagen, the National Automobile Dealers Association (NADA), the Center for Auto Safety (CFAS), numerous employees of light truck manufacturers, dealers, and private individuals. The issues raised by the commenters are discussed below.

Summary of Decision

At this time, the agency has concentrated its efforts on analyzing issues relating to the 1988 standard. Based on its analysis, NHTSA is establishing a combined average fuel economy standard of 20.5 mpg for model year 1988 light trucks. Optional separate standards of 21.0 mpg for two-wheel drive (2WD) light trucks and 19.5 mpg for four-wheel drive (4WD) light trucks are also established. Both the combined and optional separate standards are being set at the same levels as the MY 1987 light truck fuel economy standards.