



[4310-T2]

DEPARTMENT OF THE INTERIOR

Office of Natural Resources Revenue

30 CFR Part 1218

[Docket No. ONRR-2013-0001; DS63610300 DR2PS0000.CH7000 134D0102R2]

RIN 1012-AA14

Amendments to ONRR's Service of Official Correspondence

AGENCY: Office of the Secretary, Office of Natural Resources Revenue (ONRR).

ACTION: Direct final rule.

SUMMARY: This rule will update the Service of Official Correspondence regulations in title 30 of the *Code of Federal Regulations* (CFR) to allow ONRR to serve official correspondence using any electronic method of delivery that provides for a receipt of delivery, or, if there is no receipt, the date of delivery otherwise documented.

DATES: This rule becomes effective on [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER] unless adverse comment is received by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. If adverse comment is received, ONRR will publish a timely withdrawal of the rule in the Federal Register.

ADDRESSES: You may submit comments on the rulemaking by any of the following methods. Please use the Regulation Identifier Number (RIN) "1012-AA14" as an identifier in your comment. See also Public Availability of Comments under Procedural Matters.

- Electronically, go to <http://www.regulations.gov>. In the entry titled “Enter Keyword or ID,” enter “ONRR-2013-0001” and then click “Search.” Follow the instructions to submit public comments. ONRR will post all comments.
- Mail comments to Armand Southall, Regulatory Specialist, ONRR, P.O. Box 25165, MS 61030A, Denver, CO 80225.
- Hand-carry comments, or use an overnight courier service, ONRR. Our courier address is Building 85, Room A-614, Denver Federal Center, West 6th Ave. and Kipling St., Denver, Colorado 80225.

FOR FURTHER INFORMATION CONTACT: For questions on technical issues, contact Tim Calahan, Supervisor, ONRR, telephone (303) 231-3036, or email *Timothy.Calahan@onrr.gov*. For a paper copy of this rule, contact Armand Southall, Regulatory Specialist, ONRR, telephone (303) 231-3221; or email *Armand.Southall@onrr.gov*. The authors of this direct final rule are Sarah Inderbitzin and Timothy Calahan.

SUPPLEMENTARY INFORMATION:

I. Background

On August 31, 2006, the Mineral Management Service (MMS) established 30 CFR Part 218, Subpart H—Service of Official Correspondence. 71 FR 51749 (August 31, 2006). On September 30, 2010, by Secretarial Order No. 3306, the Secretary of the Department of the Interior transferred the royalty management functions of the Minerals Revenue Management, former arm of MMS, to the Office of Natural Resources Revenue (ONRR). As part of that reorganization, ONRR recodified the former 30 CFR part 218, subpart H, of chapter II to a new chapter XII in 30 CFR as part 1218, without substantive

change. 75 FR 61051 (Oct. 4, 2010). Section 1218.540(a) deals specifically with methods of service of official correspondence on companies and reporting entities.

II. Explanation of Amendments

This direct final rule adds a new paragraph (4) to 30 CFR 1218.540(a) updating the Service of Official Correspondence regulations to allow ONRR to serve official correspondence using any electronic method of delivery that provides for a receipt of delivery, or, if there is no receipt, the date of delivery otherwise documented. ONRR will use electronic methods, such as “MessageWay,” that assure the information transmitted is encrypted and secure. ONRR also will make a necessary corresponding change to 30 CFR 1218.540(d) regarding constructive service.

ONRR does not make any substantive changes in this direct final rule to the regulations or requirements in 30 CFR 1218.540(a) or (d). It simply updates procedures for ONRR’s service of official correspondence and revises existing ONRR procedures to conform to those changes. We also merely make any necessary corresponding technical corrections. ONRR already has the e-mail addresses of the employees and agents designated as points of contact by each company and reporting entity from Forms ONRR-4444, so this regulation can be implemented quickly and with minimal effort. The greater speed and ease with which official correspondence can be sent electronically, coupled with the reduced cost of postage, means that this rule will increase efficiency.

This is a direct final rulemaking with request for comments. We have provided a 30-day comment period for this direct final rule. We believe that 30 days is sufficient time for comments because this rulemaking is noncontroversial. If we receive no significant adverse comment during the 30-day comment period, this rule will go into effect 30 days

after the end of the comment period. However, if ONRR receives a significant adverse comment, we will withdraw the rule by publishing a notice of withdrawal in the **Federal Register** within 30 days after the public comment period closes and will publish a notice of proposed rulemaking. A significant adverse comment is a comment where the commenter explains why the rule would be inappropriate, including challenges to the rule's underlying premise or approach or would be ineffective and unacceptable without a change.

III. Procedural Matters

Regulatory Planning and Review (Executive Orders 12866 and 13563)

Executive Order (E.O.) 12866 provides that the Office of Information and Regulatory Affairs (OIRA) will review all significant rules. OIRA has determined that this rule is not significant.

Executive Order 13563 reaffirms the principles of E.O. 12866 while calling for improvements in the Nation's regulatory system to promote predictability, to reduce uncertainty, and to use the best, most innovative, and least burdensome tools for achieving regulatory ends. E.O. 13563 directs agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public where these approaches are relevant, feasible, and consistent with regulatory objectives. E.O. 13563 emphasizes further that agencies must base regulations on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. We have developed this rule in a manner consistent with these requirements.

Regulatory Flexibility Act

DOI certifies that this direct final rule does not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). This direct final rule will impact large and small entities but will not have a significant economic effect on either because this is a technical rule updating the Service of Official Correspondence regulations to allow for service using any electronic method of delivery that provides for a receipt of delivery, or, if there is no receipt, the date of delivery otherwise documented.

Small Business Regulatory Enforcement Fairness Act

This direct final rule is not a major rule under 5 U.S.C. 804(2), the Small Business Regulatory Enforcement Fairness Act. This direct final rule:

- a. Does not have an annual effect on the economy of \$100 million or more.
- b. Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.
- c. Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises.

This is only a technical rule updating the Service of Official Correspondence regulations to allow for service using any electronic method of delivery that provides for a receipt of delivery, or, if there is no receipt, the date of delivery otherwise documented.

Unfunded Mandates Reform Act

This direct final rule does not impose an unfunded mandate on State, local, or tribal governments, or the private sector of more than \$100 million per year. This direct final rule does not have a significant or unique effect on State, local, or tribal governments, or

the private sector. We are not required to provide a statement containing the information that the Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*) requires because this is a technical rule updating the Service of Official Correspondence regulations to allow for service using any electronic method of delivery that provides for a receipt of delivery, or, if there is no receipt, the date of delivery otherwise documented.

Takings (E.O. 12630)

Under the criteria in section 2 of Executive Order 12630, this direct final rule does not have any significant takings implications. This direct final rule applies to Outer Continental Shelf (OCS), Federal onshore, and Indian onshore leases. It does not apply to private property. This direct final rule does not require a Takings Implication Assessment.

Federalism (E.O. 13132)

Under the criteria in section 1 of Executive Order 13132, this direct final rule does not have sufficient federalism implications to warrant the preparation of a Federalism summary impact statement. This is a technical rule updating the Service of Official Correspondence regulations to allow for service using any electronic method of delivery that provides for a receipt of delivery, or, if there is no receipt, the date of delivery otherwise documented.

Civil Justice Reform (E.O. 12988)

This direct final rule complies with the requirements of E. O. 12988, for the reasons outlined in the following paragraphs.

- a. This rule meets the criteria of section 3(a), which requires that we review all regulations to eliminate errors and ambiguity and write them to minimize litigation.

b. This rule meets the criteria of section 3(b)(2), which requires that we write all regulations in clear language with clear legal standards.

Consultation with Indian Tribes (E.O. 13175 and Department policy)

DOI strives to strengthen its government-to-government relationship with Indian Tribes through a commitment to consultation with Indian Tribes and recognition of their right to self-governance and tribal sovereignty. Under DOI's consultation policy and the criteria in E.O. 13175, we have evaluated this direct final rule and determined that it has no substantial direct effects on federally recognized Indian tribes. Therefore, we are not required to complete a consultation under DOI's tribal consultation policy.

Paperwork Reduction Act

This direct final rule does not contain any information collection requirements, and does not require a submission to OIRA under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

National Environmental Policy Act

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. We are not required to provide a detailed statement under the National Environmental Policy Act of 1969 (NEPA) because this rule qualifies for categorical exclusion under 43 CFR 46.210(i) and the DOI Departmental Manual, part 516, section 15.4.D: "(i) Policies, directives, regulations, and guidelines: that are of an administrative, financial, legal, technical, or procedural nature." We have also determined that this rule is not involved in any of the extraordinary circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA. The procedural changes resulting from these amendments have no consequences with respect to the

physical environment. This rule will not alter in any material way natural resource exploration, production, or transportation.

Information Quality Act

In accordance with the Information Quality Act, DOI has issued guidance regarding the quality of information that it relies on for regulatory decisions. This guidance is available on DOI's website at http://www.doi.gov/ocio/information_management/iq.cfm.

Effects on the Energy Supply (E.O. 13211)

This direct final rule is not a significant energy action under the definition in E.O. 13211, and therefore, does not require a Statement of Energy Effects.

List of Subjects in 30 CFR Part 1218

Continental shelf, Electronic funds transfers, Geothermal energy, Indians—lands, Mineral royalties, Oil and gas exploration, Public lands—mineral resources, Reporting and recordkeeping requirements, Service of official correspondence.

August 15, 2013
Date

Rhea Suh
Assistant Secretary,
Policy, Management and Budget

Authority and Issuance

For the reasons discussed in the preamble, under the authority provided by the Reorganization Plan No. 3 of 1950 (64 Stat. 1262) and Secretarial Order No. 3306, ONRR amends part 1218 of title 30 CFR, chapter XII, subchapter A, as follows:

PART 1218—COLLECTION OF ROYALTIES, RENTALS, BONUSES, AND OTHER MONIES DUE THE FEDERAL GOVERNMENT

1. The authority citation for part 1218 continues to read as follows:

Authority: 5 U.S.C. 301 *et seq.*, 25 U.S.C. 396 *et seq.*, 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.*, 351 *et seq.*, 1001 *et seq.*, 1701 *et seq.*; 31 U.S.C. 3335; 43 U.S.C. 1301 *et seq.*, 1331 *et seq.*, and 1801 *et seq.*

2. Amend §1218.540 to revise paragraphs (a) and (d) to read as follows:

§1218.540 How does ONRR serve official correspondence?

* * * * *

(a) *Method of service.* ONRR will serve all official correspondence to the addressee of record by one of the following methods:

- (1) U.S. Postal Service mail;
- (2) Personal delivery made pursuant to the law of the State in which the service is effected;
- (3) Private mailing service (e.g., United Parcel Service, or Federal Express), with signature and date upon delivery, acknowledging the addressee of record's receipt of the official correspondence document; or

(4) Any electronic method of delivery that keeps information secure and provides for a receipt of delivery or, if there is no receipt, the date of delivery otherwise documented.

* * * * *

(d) *Constructive service.* If we cannot make delivery to the addressee of record after making a reasonable effort, we deem official correspondence as constructively served 7 days after the date that we mail or electronically transmit the document. This provision covers situations such as those where no delivery occurs because:

(1) The addressee of record has moved without filing a forwarding address or updating its Form ONRR-4444 as required under paragraph (b) of this section;

(2) The forwarding order has expired;

(3) The addressee of record has changed its email address without updating its Form ONRR-4444 as required under paragraph (b) of this section;

(4) Delivery was expressly refused; or

(5) The document was unclaimed and the attempt to deliver is substantiated by either:

(i) The U.S. Postal Service;

(ii) A private mailing service, as described in this section;

(iii) The person who attempted to make delivery using some other method of service; or

(iv) A receipt or other documentation that ONRR attempted electronic service.

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