

please submit them by only one of the following means:

(1) By mail to the Docket Management Facility (USCG-2002-11288), U.S. Department of Transportation, room PL-401, 400 Seventh Street, SW., Washington, DC 20590-0001.

(2) By delivery to room PL-401 on the Plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-366-9329.

(3) By fax to the Docket Management Facility at 202-493-2251.

(4) Electronically through the Web Site for the Docket Management System at <http://dms.dot.gov>.

The Docket Management Facility maintains the public docket for this rulemaking. Comments and material received from the public, as well as documents mentioned in this preamble as being available in the docket, will become part of this docket and will be available for inspection or copying at room PL-401 on the Plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also find this docket on the Internet at <http://dms.dot.gov>. Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477), or you may visit <http://dms.dot.gov>.

FOR FURTHER INFORMATION CONTACT: For questions on this proposed rule, call Tom Lawler, Chief Economist, Office of Great Lakes Pilotage, Commandant (G-MW-1), U.S. Coast Guard, at 202-267-1241, by fax 202-267-4700, or by email at tlawler@comdt.uscg.mil. For questions on viewing or submitting material to the docket, call Dorothy Beard, Chief, Dockets, Department of Transportation, telephone 202-366-5149.

SUPPLEMENTARY INFORMATION:

Request for Comments

We encourage you to participate in this rulemaking by submitting comments and related material. If you do so, please include your name and address, identify the docket number for this rulemaking (USCG-2002-11288), indicate the specific section of this document to which each comment

applies, and give the reason for each comment. You may submit your comments and material by mail, hand delivery, fax, or electronic means to the Docket Management Facility at the address under **ADDRESSES**; but please submit your comments and material by only one means. If you submit them by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit them by mail and would like to know they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period. We may change this proposed rule in view of them.

Public Meeting

A public meeting will be held from 2 p.m. to 4 p.m. on January 31, 2003, in Room B-1, Anthony J. Celebrezze Federal Building, 1240 East Ninth Street, Cleveland, OH 44199-2060. This meeting may close early if all business is finished.

Written material and requests to make oral presentations can be sent to: Margie Hegy, Commandant (G-MW), U.S. Coast Guard Headquarters, 2100 Second Street, SW., Washington, DC 20593-0001.

Persons who are unable to attend the public meeting are encouraged to send written comments to the Docket Management Facility as directed under **ADDRESSES** during the comment period.

Background and Purpose

Regulatory History

On May 9, 1996, the Department of Transportation published a final rule in the **Federal Register** (61 FR 21081) establishing a new methodology for setting rates for pilotage on the Great Lakes.

On February 10, 1997, the Coast Guard published a final rule in the **Federal Register** (62 FR 5917) utilizing for the first time the newly established methodology that amended the rates for pilotage on the Great Lakes.

On December 14, 1998, the Coast Guard published a notice of findings on annual review in the **Federal Register** (63 FR 68697) announcing the results of the 1998 rate review and requesting comments. The rates were not amended as a result of this rate review.

On July 12, 2001, the Coast Guard published a final rule in the **Federal Register** (66 FR 36484) amending the rates for pilotage on the Great Lakes.

On July 19, 2002, as the result of a lawsuit filed by District Two, the Coast Guard published a temporary final rule

in the **Federal Register** (67 FR 47464) entitled "Basic Rates and Charges on Lake Erie and the Navigable Waters From Southeast Shoal to Port Huron, MI". The rule returned the rate in District Two, Area 5, to the one that was in place prior to August 13, 2001.

On August 26, 2002, the Coast Guard published a notice of meetings in the **Federal Register** (67 FR 54836) for four public meetings to be held in regard to issues relevant to Great Lakes Pilotage Bridge Hour Standards. The Coast Guard also announced it is conducting a review to determine the appropriate bridge hour standards.

Purpose of This Notice of Proposed Rulemaking (NPRM)

The Coast Guard must, under 46 CFR 404.1(b), conduct an annual review of the rates for pilotage on the Great Lakes using the procedures found at Appendix C to 46 CFR part 404. In addition, every five years the Coast Guard must perform a review using the methodology contained in 46 CFR part 404, Appendix A. At Step 2.A of Appendix A, we explain the target pilot compensation for pilots providing service on designated waters of the Great Lakes is approximately the average annual compensation for masters on U.S. Great Lakes vessels. The target pilot compensation for pilots providing service on undesignated waters of the Great Lakes is approximately the average annual compensation for first mates of such vessels. We have reviewed the current pilotage rates and determined that they should be adjusted to meet target pilot compensation and allowable expenses. Therefore, in accordance with 46 U.S.C. 9303(f), and on the basis of the rate review for 2002, we propose to amend the rates for pilotage on the Great Lakes to meet these needs. We would like your comments on the updated rates.

Relationship of This Rulemaking to the Coast Guard's Ongoing Bridge Hour Study

On July 1, 2002, the Assistant Commandant for Marine Safety, Security and Environmental Protection, commissioned a study to review the methodology for developing bridge hour standards for Great Lakes pilotage (67 FR 54836 (August 26, 2002)). This Bridge Hour Study is scheduled to be completed by January 31, 2003. The Study will explore the historical development of the bridge hour standard currently used in the ratemaking methodology for U.S. Great Lakes pilots. The goal of this study is to determine what the appropriate bridge