

entities in various security-related scenarios. For a more detailed discussion on the N-RAT and how we employed this tool, refer to “Applicability of National Maritime Security Initiatives” in the temporary interim rule titled “Implementation of National Maritime Security Initiatives” (68 FR 39243) (part 101). For this benefit assessment, the Coast Guard used a team to calculate a risk score for each entity and scenario before and after the implementation of required security measures. The difference in before and

after scores indicated the benefit of the proposed action.

We recognized that the final rules are a “family” of rules that will reinforce and support one another in their implementation. We have ensured, however, that risk reduction that is credited in one rule is not also credited in another. For a more detailed discussion on the benefit assessment and how we addressed the potential to double-count the risk reduced, refer to “Benefit Assessment” in the temporary interim rule titled “Implementation of

National Maritime Security Initiatives” (68 FR 39274) (part 101).

The Coast Guard determined annual risk points reduced for each of the final rules using the N-RAT. The benefits are apportioned among the Vessel, Facility, OCS Facility, AMS, and AIS requirements. As shown in Table 1, the implementation of OCS facility security for the affected population reduces 13,288 risk points annually through 2012. The benefits attributable for part 101, General Provisions, were not considered separately because it is an overarching section for all the parts.

TABLE 1.—ANNUAL RISK POINTS REDUCED BY THE FINAL RULES

Maritime entity	Annual risk points reduced by final rule				
	Vessel security	Facility security	OCS facility security	AMS	AIS
Vessels	778,633	3,385	3,385	3,385	1,317
Facilities	2,025	469,686	.....	2,025	.....
OCS Facilities	41	.....	9,903	.....	.....
Port Areas	587	587	.....	129,792	105
Total	781,285	473,659	13,288	135,202	1,422

Once we determined the annual risk points reduced, we discounted these estimates to their present value (7 percent discount rate, 2003–2012) so that they could be compared to the costs. We presented the cost

effectiveness, or dollars per risk point reduced, in two ways: First, we compared the first-year cost and first-year benefit because first-year cost is the highest in our assessment as companies develop security plans and purchase

equipment. Second, we compared the 10-year present value cost and the 10-year present value benefit. The results of our assessment are presented in Table 2.

TABLE 2.—FIRST-YEAR AND 10-YEAR PRESENT VALUE COST AND BENEFIT OF THE FINAL RULES

Item	Final rule				
	Vessel security	Facility security	OCS facility security	AMS	AIS*
First-year cost (millions)	\$218	\$1,125	\$3	\$120	\$30
First-year benefit	781,285	473,659	13,288	135,202	1,422
First-year cost effectiveness (\$/risk point reduced)	279	2,375	205	890	21,224
10-Year present value cost (millions)	1,368	5,399	37	477	26
10-Year present value benefit	5,871,540	3,559,655	99,863	1,016,074	10,687
10-Year present value cost effectiveness (\$/risk point reduced)	233	1,517	368	469	2,427

*Cost less monetized safety benefit.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601–612), the Coast Guard has considered whether this final rule would have a significant economic impact on a substantial number of small entities. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Coast Guard has reviewed this final rule for potential economic impacts on small entities. A Final Regulatory Flexibility

Analysis discussing the impact of this final rule on small entities is available in the docket where indicated under **ADDRESSES**.

There are approximately 40 total current and future OCS facilities owned by five large companies that will be affected by this final rule. Depending on how the corporate headquarters’ operation is classified and whether it is oil or gas specific, these companies are generally classified under the North American Industry Classification System (NAICS) code 211111 or 221210. According to the Small Business Administration guidelines for these

industries, a company with less than 500 total corporate employees is considered a small entity. The entities affected by this final rule do not qualify as small entities because all of them have more than 500 employees.

Therefore, the Coast Guard certifies under 5 U.S.C. 605(b) that this final rule will not have a significant economic impact on a substantial number of small entities.

Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121),