DEPARTMENT OF THE TREASURY
Bureau of Alcohol, Tobacco and Firearms

27 CFR Part 9
[Notice No. 961]
RIN 1512–AC66

Red Hills (California) Viticultural Area
(2001R–330P)

AGENCY: Bureau of Alcohol, Tobacco and Firearms (ATF), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Bureau of Alcohol, Tobacco and Firearms has received a petition proposing the establishment of the “Red Hills” viticultural area in Lake County, California. This proposed 31,250-acre viticultural area lies entirely within the current Clear Lake viticultural area in Lake County, which is, in turn, entirely within the multi-county North Coast viticultural area.

DATES: Written comments must be received by December 30, 2002.

ADDRESSES: Send written comments to: Chief, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, P.O. Box 50221, Washington, DC 20091–0221, (Attn: Notice No. 961). See the “Public Participation” section of this document for alternative methods of commenting.

Copies of the petition, the proposed regulations, the appropriate maps, and any written comments received will be available for public inspection during normal business hours at the ATF Reference Library, Office of Public Affairs and Disclosure, Room 6480, 650 Massachusetts Avenue, NW., Washington, DC 20226; telephone 202–927–7890.

FOR FURTHER INFORMATION CONTACT: N. A. Sutton, Specialist, Regulations Division (San Francisco, CA), Bureau of Alcohol, Tobacco and Firearms, 221 Main Street, 11th Floor, San Francisco, CA 94105–1906; telephone (415) 947–5192.

SUPPLEMENTARY INFORMATION:

Background

The Federal Alcohol Administration Act (FAA Act) at 27 U.S.C. 205(e) requires that alcohol beverage labels provide the consumer with adequate information regarding a product’s identity while prohibiting the use of deceptive information on such labels. The FAA Act also authorizes the Bureau of Alcohol, Tobacco and Firearms (ATF) to issue regulations to carry out the Act’s provisions.

Regulations in 27 CFR part 4, Labeling and Advertising of Wine, allow the establishment of definitive viticultural areas. The regulations allow the name of an approved viticultural area to be used as an appellation of origin on wine labels and in wine advertisements. A list of approved viticultural areas is contained in 27 CFR Part 9, American Viticultural Areas.

Section 4.25a(e)(1), title 27 CFR, defines an American viticultural area as a delimited grape-growing region distinguishable by geographic features, the boundaries of which have been delineated in subpart C of part 9. Section 4.25a(e)(2) outlines the procedure for proposing an American viticultural area. Any interested person may petition ATF to establish a grape-growing region as a viticultural area.

The petition should include:
(a) Evidence that the name of the proposed viticultural area is locally and/or nationally known as referring to the area specified in the petition;

(b) Historical or current evidence that the boundaries of the viticultural area are as specified in the petition;

(c) Evidence relating to the geographical characteristics (climate, soil, elevation, physical features, etc.) which distinguish the viticultural features of the proposed area from surrounding areas;

(d) A description of the specific boundaries of the viticultural area, based on features which can be found on United States Geological Survey (U.S.G.S.) maps of the largest applicable scale; and

(e) A copy (or copies) of the appropriate U.S.G.S. map(s) with the boundaries prominently marked.

Impact on Current Wine Labels

If this proposed viticultural area is approved, bottlers using brand names similar to the name of the viticultural area must review their existing products to insure that they are eligible to use the viticultural area’s name as the appellation of origin. To be eligible, 85% of the grapes in a wine must be grown within the viticultural area. If a product is not eligible to use the viticultural area as an appellation, the bottler must obtain approval of a label with a different brand name for that wine. (See 27 CFR 4.39(i).)

Red Hills Petition

The Bureau of Alcohol, Tobacco and Firearms (ATF) has received a petition proposing a new viticultural area to be called “Red Hills.” The petition was filed by Sara Schorske of Compliance Service of America on behalf of several grape growers within the proposed viticultural area. Located about 80 miles north of San Francisco, the proposed 31,250 acre viticultural area is located entirely within the Clear Lake viticultural area in Lake County, California, which is, in turn, within the larger multi-county North Coast viticultural area. Approximately 2,500 acres are planted to grapes with another 3,000 to 5,000 acres available for vineyards.

Situated on a large tract of rocky, red-colored volcanic soil, the petitioner contends that the proposed Red Hills viticultural area is distinct from the surrounding region. Steep ridges, volcanic mountains, and a large body of water, Clear Lake, border the proposed area’s upland plain. The petitioner states the proposed viticultural area’s distinctive microclimate is derived from its gently rolling terrain and its close proximity to a large lake and surrounding mountains.

Evidence That the Name of the Area Is Locally or Nationally Known

The petitioner indicates the area is locally known as Red Hills. The name reflects the area’s prevalent red volcanic soils and gentle hilly terrain. The petitioner submitted evidence documenting the name’s current usage, including references to this area as the Red Hills district, Red Hills area, Red Hills walnut district and Red Hills agricultural district in Lake County Planning Department documents. The petitioner also notes the University of California Red Hills weather station and the Red Hills Geothermal Prospect area are both located within the proposed viticultural area. Red Hills Road, which meanders through the proposed area’s southwest quadrant, is shown on a Rand McNally county map, the Lake County Travel Atlas, DeLorme’s Northern California Atlas, and in a published
listing of local scenic roads. Red Hills Country Day School is located along this road.

The petitioner also submitted evidence documenting the historical usage of the Red Hills name, including a 1977 description of the area’s “rolling red soil” by local historian Henry Mauldin. He emphasized that the name Red Hills defined the area and not a separate prominent point. A 1949 written account of the Red Hills walnut territory indicated its location on both sides of Red Hills Road within the proposed viticultural area.

**Historical or Current Evidence That the Boundaries of the Viticultural Area Are as Specified in the Petition**

According to the petitioner, the proposed area’s boundaries are based on historical and current viticulture, geographical features, and a unique microclimate.

Historically, walnuts have been the major agricultural crop of this area, prospering on the red soil and rolling terrain. Around the time of Prohibition, two small vineyards were replanted with walnut orchards, but in more recent years several old orchards have been replanted to wine grapes. There are now 2,500 acres of vineyards in the proposed viticultural area, and more blocks are replanted to wine grapes. There are now 2,500 acres of vineyards in the proposed viticultural area.

Geographical factors also help define the proposed viticultural area’s borders, according to the petitioner. These factors include the self-containment of the area, with its mountain, ridge, and lake boundaries, its hilly terrain, and its blanket of red, volcanic soils. The petitioner also notes the geography and location of the area promote the moderating microclimate and wind patterns that allow for viticulture without damaging frosts. These factors are discussed further below.

**Evidence Relating to the Geographical Features Which Distinguish the Proposed Area’s Viticultural Features**

The petitioner states that the proposed Red Hills viticultural area’s boundaries are based on a combination of terrain, soil, and climate factors that contrast with the surrounding area.

**Physical Features**

Lake County is generally mountainous, with protected fertile valleys and a large lake near its center. Mt. Konocti, a volcano outside the northwest boundary of the proposed area, and Clear Lake are two notable geographical points in the county. South of Clear Lake is a field of volcanic hills and mountains. The proposed Red Hills viticultural area is within this volcanic field of gently rolling terrain, which is covered with rocky, red volcanic soil. It is bordered on the north by Mt. Konocti and Clear Lake, on the south by the Coast Range mountain chain, and on the east and west by ridges. The petitioner provided photographs to document the contrast between the red, rolling hills of the proposed area with the wider valleys and higher mountains of the surrounding areas.

As described in the petition, the proposed area’s northern boundary line excludes Mt. Konocti above its 2,600-foot elevation, Clear Lake at the water line, and all of Anderson Flat with its different soils. The east boundary line excludes the town of Lower Lake, which sits on an alluvial fan, and a steep ridge with older bedrock and different soils.

The south boundary generally coincides with the Clear Lake AVA boundary line, but excludes the higher mountains of the Mayacamas Range. The petitioner notes these peaks share a common volcanic heritage with the rolling hills, but contends the steep slopes and high elevations are unsuitable for commercial viticulture. The western boundary excludes Boggs Lake, a large vernal pool, Camelback Ridge, and Mt. Konocti above 2,600 feet.

**Soils**

Red, volcanic soils cover over 90% of the proposed area, according to the petition, and are composed of Glenview-Bottlerock-Arrowhead, Konocti-Benridge, and Collayomi-Aiken types. All three soil types are red and have a high rock fragment or gravel content. These red, stony soils are a primary factor motivating the recent growth of viticulture within the proposed area, according to the petitioner.

The petition notes that the proposed Red Hills viticultural area’s northern boundary is defined by a narrow border of red volcanic soils that lack rock content at Mt. Konocti’s 2,600-foot elevation line, Clear Lake’s shore line, and a marshy territory with different soils.

The proposed area’s eastern boundary follows the edge of the volcanic field. The petitioner contends the red soils outside the field lack rock content.

As petitioned, the proposed viticultural area’s southern boundary is defined by the mountainous terrain, which precludes commercial viticulture, even though the volcanic soils extend south past the proposed boundary. Salminas Meadow and Seigler Valley, both within the Clear Lake viticultural area, have been excluded from the proposed Red Hills viticultural area based on their different soils and terrain.

**Climate**

Rainfall in the proposed area is based on its location between the Mayacamas Mountains and Clear Lake. The mountainous region to the south of the proposed gets about 80 inches of rain a year, while Clear Lake to the north averages 22 inches a year. The Red Hills area lies between these two places and receives from 25 to 40 inches of rain a year.

The petitioner contends the proposed Red Hills viticultural area has a distinctive microclimate based on the area’s relative lack of coastal influence, at about fifty miles inland, its hilly terrain, and its location between Clear Lake and the Mayacamas Mountains. The unique wind patterns in the Red Hills area result from the lake-land effect, driven by temperature contrasts between the lake and adjacent land, and the mountain-valley effect that pushes air either upward or downward in the valleys depending on temperatures. The petitioner notes that a perpetual motion wind machine is created by the combination of the lake-land and the mountain-valley effects, creating unique wind systems that blow through the Red Hills’ open terrain. These constant winds provide natural frost protection for the grapevines. According to the petitioner, local residents confirm that in the early morning hours of cold spring days, when temperatures dip below the freezing point, the naturally-generated winds keep frost from forming on grape shoots while other Lake County viticultural areas require frost protection measures.
Proposed Boundaries

The proposed Red Hills viticultural area is in Lake County, California and is entirely within the approved Clear Lake and North Coast viticultural areas. The proposed Red Hills area is an irregular rectangle in shape, with Mt. Konocti to the northwest, Clear Lake to the north, and the Mayacamas Mountains to the south.

The USGS maps required for determining the boundary of the proposed Red Hills viticultural area are: (1) Clearlake Highlands Quadrangle, California—Lake Co., 7.5 Minute Series, edition of 1958, photorevised 1975; (2) Lower Lake Quadrangle, California—Lake Co., 7.5 Minute Series, edition of 1958, photorevised 1975; (3) Whispering Pines Quadrangle, California, 7.5 Minute Series, edition of 1958, photoinspected 1975; and (4) Kelseyville Quadrangle, California—Lake Co., 7.5 Minute Series, edition of 1959, photorevised 1975. A complete description of the proposed area’s boundaries is found in the proposed rule text below.

Public Participation

Comments Sought

ATF requests comments from all interested persons. Specifically, ATF requests comments on the potential for name confusion between the proposed Red Hills (plural) viticultural area in Lake County, California, and the proposed Red Hill (singular) viticultural area in Oregon. To resolve this problem, ATF is considering using the names “Red Hills—California” and “Red Hill—Oregon” for these respective viticultural areas. In both cases the State name would appear in direct conjunction with the viticultural area name.

Comments on the proposed names and suggestions for other names are encouraged and will be given consideration.

Comments received on or before the closing date will be carefully considered. Comments received after that date will be given the same consideration if it is practical to do so. However, assurance of consideration can only be given to comments received on or before the closing date.

ATF will not recognize any submitted material as confidential and comments may be disclosed to the public. Any material that the commenter considers confidential or inappropriate for disclosure to the public should not be included in the comments. The name of the person submitting a comment is not exempt from disclosure.

Submitting Comments

By U.S. Mail: Written comments may be mailed to ATF at the address listed in the ADDRESSES section above.

By Fax: Comments may be submitted by facsimile transmission to (202) 927–8602, provided the comments: (1) Are legible, (2) are 8 ½ ” x 11” in size, (3) contain a written signature, and (4) are five pages or less in length. This limitation is necessary to assure reasonable public access to the equipment. Comments sent by fax in excess of five pages will not be accepted. Receipt of fax transmittals will not be acknowledged. Facsimile transmitted comments will be treated as originals.

By e-mail: Comments may be submitted by e-mail to nprra@atfhq.treas.gov. E-mail comments must contain your name, mailing address, e-mail address, and reference this notice number. We will not acknowledge the receipt of e-mail. We will treat comments submitted by e-mail as originals.

Comments may also be submitted using the comment form provided with the online copy of this proposed rule on the ATF Internet Web site at http://www.atf.treas.gov.

Public Hearing: Any person who desires an opportunity to comment orally at a public hearing on the proposed regulation should submit his or her request, in writing, to the Director within the 60-day comment period. The Director, however, reserves the right to determine, in light of all circumstances, whether a public hearing will be held.

Reviewing Comments

Copies of the petition, the proposed regulations, the appropriate maps, and any written comments received will be available for public inspection during normal business hours at the ATF Reference Library, Office of the Liaison and Public Information, Room 6480, 650 Massachusetts Avenue, NW, Washington, DC 20226; telephone 202–927–8790. Copies of comments may be requested by writing the ATF librarian at the above address.

For the convenience of the public, ATF will post comments received in response to this notice on the ATF Web site. All comments posted on our web site will show the name of the commenter, but will have street addresses, telephone numbers, and e-mail addresses removed. We may also omit voluminous attachments or material that we do not consider suitable for posting. In all cases, the full comment will be available in the ATF library as noted above. To access online copies of the comments on this rulemaking, visit http://www.atf.treas.gov, and select “Regulations,” then “Notices of proposed rulemaking (alcohol),” and then click on the “View Comments” link under this Notice number.

Paperwork Reduction Act

The provisions of the Paperwork Reduction Act of 1995, 44 U.S.C. chapter 35, and its implementing regulations, 5 CFR part 1320, do not apply to this notice because no requirement to collect information is proposed.

Regulatory Flexibility Act

ATF certifies that this proposed regulation will not have a significant impact on a substantial number of small entities. The establishment of a viticultural area is neither an endorsement nor approval by ATF of the quality of wine produced in the area, but rather an identification of an area that is distinct from surrounding areas. ATF believes the establishment of viticultural areas merely allows wineries to more accurately describe the origin of their wines to consumers, and helps consumers identify the wines they purchase. Thus, any benefit derived from the use of a viticultural area name is the result of the proprietor’s own efforts and consumer acceptance of wines from that area.

No new requirements are proposed. Accordingly, a regulatory flexibility analysis is not required.

Executive Order 12866

ATF has determined that this proposed regulation is not a significant regulatory action as defined by Executive Order 12866. Accordingly, this proposal is not subject to the analysis required by this Executive Order.

Drafting Information

The principal author of this document is N.A. Sutton, Regulations Division (San Francisco), Bureau of Alcohol, Tobacco, and Firearms.

List of Subjects in 27 CFR Part 9

Administrative practices and procedures, Consumer protection, Viticultural areas, and Wine.

Authority and Issuance

Title 27, Code of Federal Regulations, part 9, American Viticultural Areas, is proposed to be amended as follows:
PART 9—AMERICAN VITICULTURAL AREAS

Paragraph 1. The authority citation for part 9 continues to read as follows:


Par. 2. Subpart C is amended by adding § 9.____ to read as follows:

Subpart C—Approved American Viticultural Areas

§9.____ Red Hills

(a) Name. The name of the viticultural area described in this section is “Red Hills.”

(b) Approved Map. The appropriate maps for determining the boundary of the Red Hills viticultural area are four 1:24,000 Scale U.S.G.S. topographic maps. They are titled:

(1) Clearlake Highlands Quadrangle, CA—Lake Co. 1958, photorevised 1975;
(2) Lower Lake Quadrangle, CA—Lake Co. 1958, photorevised 1975;
(3) Whispering Pines Quadrangle, CA—Clearlake Highlands Quadrangle, 1958, photoinvested 1975;
(4) Kelseyville Quadrangle, CA—Lake Co. 1959, photorevised 1975.

(c) Boundary. The Red Hills viticultural area is located entirely within the Clear Lake viticultural area of Lake County, California, on the south shore of Clear Lake, between the towns of Lower Lake and Kelseyville, CA. The point of beginning is the intersection of the Common Lake shoreline with the common boundary line between Sections 3 and 4, T12N, R7W (Clearlake Highlands Quadrangle).

(1) Then proceed straight south along the common boundary line of Sections 3 and 4, T12N, R7W to its intersection with the 1,400-foot contour line, Section 3, T12N, R7W (Clearlake Highlands Quadrangle);
(2) Then proceed southeast along the 1,400-foot contour line onto the Lower Lake Quadrangle map south of Anderson Flat, reverse direction with the contour line, and continue west to its intersection with Seigler Canyon Creek, Section 10, T12N, R7W (Clearlake Highlands Quadrangle);
(3) Then proceed west along Seigler Canyon Creek to its confluence with Perini Creek, and continue south along Perini Creek to its intersection with the 1,800-foot contour line, Section 16, T12N, R7W (Clearlake Highlands Quadrangle);
(4) Then proceed in a generally southern direction and then generally west along the 1,800-foot contour line to its intersection with Copsey Creek, Section 28, T12N, R7W (Whispering Pines Quadrangle);
(5) Then proceed west along Copsey Creek to its headwaters in Section 29, and continue straight westerly to the headwaters of Bad Creek at its intersection with the Section 30 east boundary line, T12N, R7W (Whispering Pines Quadrangle);
(6) Then proceed due west to the intersection of Big Canyon Road, Section 30, T12N, R7W (Whispering Pines Quadrangle);
(7) Then proceed north along Big Canyon Road to its intersection with the 2,640-foot contour line, Section 25, T12N, R8W (Whispering Pines Quadrangle);
(9) Then proceed north in a straight line to Seigler Mountain, elevation 3,692 feet, and continue northwesterly along the same line of direction to its intersection with the 2,640-foot contour line, Section 23, T12N, R8W (Clearlake Highlands Quadrangle);
(10) Then proceed southwest along the 2,640-foot contour line east of Boggs Lake, Section 17, T12N, R8W (Kelseyville Quadrangle);
(11) Then proceed straight northwest to Mt. Hannah, elevation 3,978 feet, Section 16, T12N, R8W, (Clearlake Highlands Quadrangle);
(12) Then proceed straight southeast along the 2,600-foot contour line with the Section 17 east boundary line, and continue along the same line of direction to the 2,800-foot contour line east of Boggs Lake, Section 17, T12N, R8W (Kelseyville Quadrangle);
(13) Then proceed north and west along the 2,800-foot contour line around Boggs Lake to its intersection with Harrington Flat Road, Section 18, T12N, R8W (Kelseyville Quadrangle);
(14) Then proceed north along Harrington Flat Road to its intersection with Bottkle Rock Road, and continue north along Bottkle Rock Road to its intersection with the 2,600-foot contour line with the 2,600-foot contour line with the Section 20 east boundary line, T13N, R8W (Kelseyville Quadrangle);
(15) Then proceed northwest along the 2,600-foot contour line with the Section 19 east boundary line, T13N, R8W (Kelseyville Quadrangle);
(16) Then proceed straight northeast to Mt. Olive, elevation 2,485 feet, and continue along the same line of direction on an unnamed peak, elevation 2,295 feet, Section 30, T13N, R8W (Kelseyville Quadrangle).

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 165

[47 CFR 371–AA97]

Security Zones; San Francisco Bay, California

AGENCY: Coast Guard, DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes to establish moving and fixed security zones extending 100 yards around and under cruise ships and tank vessels that enter, are moored in, anchored in or depart from the San Francisco Bay, California, and Delta ports. These proposed security zones are needed for national security reasons to protect the public and ports from potential terrorist acts. Entry into these zones will be prohibited unless specifically authorized by the Captain of the Port San Francisco Bay.

DATES: Comments and related material must reach the Coast Guard on or before November 29, 2002.

ADDRESSES: You may mail comments and related material to U.S. Coast Guard Marine Safety Office San Francisco Bay, Coast Guard Island, Alameda, California 94501. The Waterways Management Branch maintains the public docket for this rulemaking. Comments and