SUMMARY: This document provides notice of cancellation of a public hearing on proposed amendments to regulations relating to constructive distributions on preferred stock.

DATES: The public hearing originally scheduled for Monday, November 14, 1994, beginning at 10:00 a.m. is cancelled.

FOR FURTHER INFORMATION CONTACT: Carol Savage of the Regulations Unit, Assistant Chief Counsel (Corporate), (202) 622–8452 or (202) 622–7190 (not toll-free numbers).

SUPPLEMENTARY INFORMATION: The subject of the public hearing is proposed regulations under section 305 of the Internal Revenue Code. A notice of proposed rulemaking and public hearing appearing in the **Federal Register** for Wednesday, June 22, 1994, (59 FR 32160), announced that the public hearing on the proposed regulations would be held on Monday November 14, 1994, beginning at 10:00 a.m., in the Internal Revenue Service Auditorium, Seventh Floor, 7400 Corridor, Internal Revenue Service Building, 1111 Constitution Avenue NW., Washington, DC.

The public hearing scheduled for Monday, November 14, 1994, is cancelled.

Cynthia E. Grigsby,

Chief, Regulations Unit, Assistant Chief Counsel (Corporate).

[FR Doc. 94–27344 Filed 11–3–94; 8:45 am]

BILLING CODE 4830–01–P

Bureau of Alcohol, Tobacco, and Firearms

27 CFR Part 9

[Notice No. 801]

RIN 1512-AA07

The St. Helena Viticultural Area (94F-015P)

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

ACTION: Notice of proposed rulemaking.

SUMMARY: The Bureau of Alcohol, Tobacco, and Firearms (ATF) is considering the establishment of a viticultural area in the State of California to be known as "St. Helena." The proposed area is located totally within Napa County. This proposal is the result of a petition submitted by Mr. Charles A. Carpy, Chairman of the St. Helena Appellation Committee. The establishment of viticultural areas and the subsequent use of viticultural area names as appellations of origin in wine labeling and advertising will help consumers better identify the wines they may purchase, and will help winemakers distinguish their products from wines made in other areas.

DATES: Written comments must be received by February 2, 1995.

ADDRESSES: Send written comments to: Chief, Wine and Beer Branch, Bureau of Alcohol, Tobacco, and Firearms, P.O. Box 50221, Washington, DC 20091-0221 (Attn: Notice No. 801). 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: ATF Reading Room, Office of Public Affairs and Disclosure, Room 6480, 650 Massachusetts Avenue, NW Washington, DC.

FOR FURTHER INFORMATION CONTACT: Robert White, Wine and Beer Branch, Bureau of Alcohol, Tobacco, and Firearms, 650 Massachusetts Avenue, NW Washington, DC 20226 (202-927-8230).

SUPPLEMENTARY INFORMATION:

Background

On August 23, 1978, ATF published Treasury Decision ATF-53 (43 FR 37672, 54624) revising regulations in 27 CFR Part 4. These regulations 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. On October 2, 1979, ATF published Treasury Decision ATF-60 (44 FR 56692) which added a new Part 9 to 27 CFR, for the listing of approved American viticultural areas.

Section 4.25a(e)(1), Title 27 CFR, defines an American viticultural area as a delimited grape-growing region distinguishable by geographical 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 features (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 the features which can be found on United States Geological Survey (U.S.G.S.) maps of the largest applicable scale; and

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

Petition

ATF has received a petition from Mr. Charles A. Carpy Chairman of the St. Helena Appellation Committee, proposing to establish a new viticultural area in Napa County California, to be known as "St. Helena." The St. Helena Appellation Committee is composed of various vineyard and winery owners located throughout the St. Helena area. The proposed St. Helena viticultural area is located approximately 16 miles northwest of the city of Napa. It is located totally within the larger and previously established Napa Valley viticultural area. As stated in the petition, the St. Helena viticultural area covers approximately 9,060 acres, and is densely planted to vines. There are over 30 wineries within the area. The petition provides the following information as evidence that the proposed area meets the regulatory requirements discussed previously. Mr. Charles Sullivan, Napa Valley historian, has provided the petitioner with most of the historical information concerning the St. Helena area that is covered in the petition whereas Dr. Deborah Elliott-Fisk of the University of California has provided the petitioner with most of the information in the petition concerning soils, geology and physical geography of the St. Helena area.

Evidence That Viticultural Area Name Is Widely Known

Data prepared by Mr. Sullivan in support of the petition provides the following historical information.

The town of St. Helena was founded by Henry Still, who bought land from the Edward Bale family in 1855. By 1858 there was a school house and a little Baptist church. Four years later Professor William Brewer of the Whitney party called it a "pretty little village with fifty or more houses nestled among grand old oaks. Early winemakers in the St. Helena area included Charles Krug and George Belden Crane. At the end of the 1879 vintage the *San Francisco Post* ran an article on northern California wines which noted the flavor characteristics of Napa clarets. This article was copied by the *St. Helena Star* which predicted that there would be 2,000 acres of grapes planted in the Napa Valley in 1880.

According to Mr. Sullivan, the final total was closer to 3,000, and concentrated in the St. Helena area.

As early as 1869, San Francisco's *Alta California* was making reference to a "St. Helena district," as did the *Pacific Rural Press*. These were references to vineyard plantings in the area. In 1872 the Napa Reporter made reference to the boom in vineyard land around St. Helena. The *Alta California* ran an article on the area in 1878, treating St. Helena as a specific district with a great reputation. By then Charles Krug, the Beringers, Crane, John Lewelling, H. A. Pellet, and 14 other producers had built cellars in the St. Helena area.

In 1875 Krug and Pellet organized the producers and growers in the district, a move that culminated in the formation of the St. Helena Viticultural Club on January 22, 1876. According to Mr. Sullivan, others outside the district could join, but it was a local St. Helena organization. In 1880 the Club constructed Vintners Hall, a two story building with a reading room, meeting rooms, and a social hall upstairs.

Mr. Sullivan states that by the end of the 1870s there was no question concerning Napa's special reputation as a winegrowing region, or about St. Helena's as a discrete district in that region. As support for this statement, Mr. Sullivan cites the *Alta California* which concluded in an article published in 1880 that "Napa is now the leading wine-growing county of California, and St. Helena has become the center of the most prosperous wine district in the State."

According to Mr. Sullivan, by the turn of the century Napa prices were still higher than those of other districts, but the special position accorded St. Helena wines had ceased to exist. The popular image of the wines of Oakville, Rutherford, Larkmead, and Howell Mountain had ended the perception of St. Helena wines standing above all others. After Prohibition, the regional association of the leading Napa Valley producers was far from foremost in consumers' minds and in the minds of wine writers according to Mr. Sullivan. However, Mr. Sullivan states that more recently there has been a tendency for wine writers to make reference to the St. Helena "district" and to its wines, particularly to its Cabernet Sauvignons.

In addition to the historical name information mentioned above, the "St. Helena" name appears on a U.S.G.S. 7.5 minute series map entitled "St. Helena Quadrangle" which includes the city of St. Helena and much of its surrounding area.

Evidence of Boundaries

According to the petition, there have never been precise historic boundaries for the St. Helena viticultural district. However, the petitioner states that history does provide an imprecise "St. Helena District" within the geographic structure of State winegrowing established by the first Board of State Viticultural Commissioners in the 1880s. According to the petition, the State was divided into districts, one being Napa, which included Napa, Solano, and Contra Costa Counties. Charles Krug was the first commissioner for the district in 1880. Napa County was then divided into administrative districts: Napa (City), Yountville, St. Helena, and Calistoga. According to the petition, these were not considered viticultural districts at the time. The St. Helena District included the vineyards of Howell Mountain, most of Rutherford, and Larkmead. This is discussed in E.C. Priber's report to the Board in 1893. Even Chiles and Conn Valleys were included in the St. Helena District, although Priber gave separate statistics for these areas.

Although the wineries and vineyardists in the Priber report are listed in administrative districts, Priber's man in the field, A. Warren Robinson, asked each where his or her operation was located, and the answer was given as a place, not necessarily a post office. Bernard Ehlers said he lived at Lodi Station. Mrs. Lillie Coit listed Larkmead. According to the petitioner, such data make it possible to make an attempt to draw historically accurate lines.

The petitioner states that a more accurate listing of viticultural districts was given by Charles Krug in his report of 1887 In it he traces the development of each district in Napa County since 1881, by acreage, production, and type of grape vines. Krug listed Yountville, Oakville, Rutherford, St. Helena, Spring Mountain, Howell Mountain, Calistoga and five others. Although he did not include a map, the precision of his statistics indicates that he and others had the limits of these districts in mind.

From the information discussed above, the petitioner has tried to plot the northern and southern boundaries of the St. Helena viticultural area. From a historical point of view, the petitioner states that any one of three landmarks could be used as the northern boundary of the St. Helena viticultural area. These landmarks include Ritchie Creek, Bale Lane, and Big Tree Road. However, the petitioner feels that from a practical, as well as historical point of view Bale Lane is the best choice.

The petitioner states that the southern boundary of the St. Helena viticultural area was discussed at length during the December 9, 1992, ATF public hearing held in Napa, California, concerning the northern boundary of the Rutherford viticultural area. From the information submitted at that hearing, it was determined that Zinfandel Avenue, known locally as Zinfandel Lane, was the best northern boundary for the Rutherford viticultural area. Consequently the petitioner states that Zinfandel Avenue (Zinfandel Lane) should also be used as the southern boundary of the adjacent St. Helena viticultural area.

The petitioner states that the southeast boundary of the St. Helena appellation should include the Spring Valley area since this area was included in the St. Helena area on the 1895 "Official Map of the County of Napa." On this map, the properties of George Mee and Antonio Rossi (Spring Valley) were listed as being in the St. Helena district whereas Charles Scheggia, just to the south, listed himself as being in Rutherford.

According to the petitioner, the western boundary of the St. Helena viticultural area is not strictly delineated by historical custom. The petitioner states that this western boundary should be dictated by the eastern boundary of the adjacent Spring Mountain District viticultural area which utilizes the 400-foot contour line The petitioner states that although some people might draw the western boundary of the St. Helena viticultural area at the 500 or 600-foot contour line, the 400-foot contour line defies no historical precedent and prevents the overlapping of the St. Helena viticultural area with the Spring Mountain District viticultural area.

In regard to the eastern boundary the petitioner states that the historical records indicate that Conn Valley is a separate area and should not be included in the St. Helena viticultural area. The records indicate, however, that Pratt Valley is clearly part of the St. Helena area from the location of the Pratt and Chabot winegrowing properties, according to the petitioner. In addition, the Crystal Springs Road area and Dago Valley should be included, according to the petitioner, due more to recent developments there rather than earlier history. However, the petitioner states that the old Rossini property, where the historic Burgess-Souverain Winery is located today, and the Leunenberger property, where the original Sutter Home-Ballantine Winery was located (today Deer Park Winery), should not be included because they are

located on the lower slopes of Howell Mountain rather than in the St. Helena area.

The petitioner uses mostly the 400-foot contour line and a short portion of Howell Mountain Road and a longer portion of Conn Valley Road to delineate the eastern boundary of the proposed St. Helena viticultural area.

Geographical Features

Data prepared by Dr. Elliott-Fisk in support of the petition provides the following geographical information.

Climate. The proposed St. Helena viticultural area lies within a relatively narrow and constricted portion of the upper Napa Valley proper. There exists a subtle interaction of climatic factors which affect grapes grown in this valley floor area. These subtle climatic influences are part of a continuum across the entire floor of the Napa Valley

The Napa Valley proper is classified as a coastal valley. Along the valley floor from Napa to Calistoga, there are pronounced mesoclimatic variations which relate to the penetration of marine influences from San Pablo Bay and, to a lesser extent, to the rise in elevation as one proceeds up Napa Valley. This marine air incursion is caused by warming of the valley floor and surrounding hillsides during the daylight hours of the growing season. This warming land mass causes the air in the area to rise, creating pressure gradients which draw in marine air off of San Pablo Bay to the south. During the growing season, this phenomenon generally begins in the early afternoon and continues into the evening. Due to proximity to the bay, the areas in the southern portion of the valley receive the most direct impact of these pressure gradient winds. These winds have a cooling effect throughout the Napa Valley.

During the grape growing season, this cooling plays an important role in the development of the grapes by allowing them to better retain their natural acidity which is critical in the production of high quality wines, according to the petitioner. In the proposed St. Helena viticultural area, this cooling effect is moderated compared to the areas further south. However, while the St. Helena area has relatively warm conditions, it is the daily maximum extremes, for which the area to the north (Calistoga) is better known, that distinguish the St. Helena and Calistoga areas.

Traditionally, the dividing line between the area of Calistoga's higher daily extremes and St. Helena's warm coastal climate has been the section of land around Bale Lane. It is at this point that the Napa Valley and Napa River take a pronounced directional change of course from north/northwesterly to more westerly. To the north of Bale Lane, the exposure of the valley floor to the sun also is more directly aligned than to the south where there is more shading.

The area to the north of the proposed St. Helena viticultural area, particularly around the city of Calistoga, is also affected by a secondary marine air incursion, far less dramatic than that off of San Pablo Bay, which penetrates the upper Napa Valley through the Knights Valley area. This marine influence, according to the petitioner, does not typically penetrate as far south as the St. Helena viticultural area. When present, these moist, cooling winds serve to moderate the generally hotter temperatures in Calistoga, making this area ideal for growing premium wine grapes.

Dr. Elliott-Fisk also finds that there are significant climatic differences between the St. Helena viticultural area and the surrounding mountains. To the east of St. Helena lies Howell Mountain and to the west is Spring Mountain. These mountain areas range in elevation from 400 to 2,600 feet for Spring Mountain and from 1,400 to 2,400 feet for Howell Mountain. On average, temperatures fall along the valley floor approximately 2.8 degrees Fahrenheit for each 1,000 foot fall in elevation.

The mountain areas with south or southwest slopes, such as those generally found in the Howell Mountain viticultural area, receive approximately 20 percent more solar radiation during the growing season compared to the valley floor. Northeast and northwest slopes, such as those that typically occur in the Spring Mountain District viticultural area, receive approximately 20 percent less solar radiation than those found on the valley floor in the proposed St. Helena viticultural area. In addition to these differences related to aspect, the relative absence of fog in the higher altitudes increases the solar radiation there compared to the valley floor which often is covered by early morning fog.

According to the petitioner, precipitation has been more important in the formation of topography and soils in the Napa Valley than in the definition of distinct climate zones. Outside of annual physiological water needs which are almost exclusively augmented by irrigation, precipitation directly affects grape vines during late spring and early fall, which are the critical periods of the growing and harvest seasons. Cooler areas, those generally found to the south of the St. Helena appellation, are more negatively affected by such conditions.

Soils, Geology, and Physical Geography

The proposed St. Helena viticultural area is in the northern Napa Valley and is defined by the petitioner as the valley floor area and lower mountain slopes (i.e., toe-slopes) from Zinfandel Lane in the south to Bale Lane in the north.

According to Dr. Elliott-Fisk, the geology of the St. Helena area is characterized by steep mountain fronts composed of the (1) Franciscan Formation (largely sandstones, mudstones and various metamorphic inclusions) overlain by the moderate thicknesses of Sonoma Volcanics on the west side in the Mayacamas Range, and (2) deep flows of Sonoma Volcanics, volcanic vents, and volcanic domes over Great Valley sandstones on the east side in the Vaca Range. Both mountain slopes have been faulted and heavily eroded, with much of this activity believed to be synonymous with the formation of the Sonoma Volcanics in the last 2-5 million years.

Dr. Elliott-Fisk further states that the topography of the Napa Valley floor is largely the product of (1) the marine incursion of San Pablo Bay and consequent marine erosion and deposit, (2) tectonic uplift and land displacement along faults and fold structures (e.g., anticlines), (3) bedrock resistance to erosion, (4) slope stability and (5) discharge volumes of the Napa River and its tributaries. The proposed St. Helena viticultural area, extending from Bale Lane on the north to Zinfandel Lane on the south, has a fairly uniform, steep gradient (as compared to the entire Napa Valley floor), indicating that it is a zone of erosion of a former more powerful Napa River. The valley in this area is narrow and is almost entirely the product of river erosion, unlike any other stretch of the valley floor. The one break in gradient occurs where the river turns southward near Big Tree Road (just south of Bale Lane) and exerts more force to cut through bedrock. Thus, although alluvial fans extend across the valley floor from their tributary canyons to the Napa River, the fans are small and relatively young compared to the rest of Napa Valley. Sulphur Creek fan is the largest of the group, as it issues from a very large drainage basin. Fans of the eastern side of the proposed appellation are very small, largely due to the resistance of obsidian (i.e., volcanic glass) bedrock here and small tributary basin size.

The topographic uniformity of the proposed St. Helena viticultural area is further substantiated by climatological data and bioclimatic maps. Growing

degree-days (i.e., temperature regime), according to Dr. Elliott-Fisk, are very uniform along this stretch of the valley floor and lower slopes, averaging just under 3600 degree-days. Mean annual precipitation is 35-38 inches. Just north of the proposed northern boundary of the St. Helena viticultural area (e.g., around Dunaweal Lane), the vegetation changes from Valley Oak Savanna to Mixed Hardwood Woodland. These gradients of climate and vegetation from south to north up Napa Valley according to the petitioner, further support the designation of viticultural areas, as climate is an important factor influencing vine growth and fruit characteristics, with natural vegetation telling the viticulturalist what vine production will be like.

Soils and Geomorphology of the Napa Valley

Dr. Elliott-Fisk states that soils can be consistently identified and mapped in Napa Valley through knowledge of the geomorphology (i.e., landforms and landform history) of the area. These soil differences are relevant viticulturally and can be used in the delimitation of viticultural areas. This soil and geomorphic mapping, which is based on very detailed field and laboratory studies, produces soil units that are similar to those shown in the Napa County Soil Survey (USDA-Soil Conservation Survey), but with more detail, precision, and most importantly a different classification scheme, according to the petitioner. The resolution of the mapping of Napa Valley's soils has increased from the 1938 survey (and the old Marbut soil classification scheme) to the newer 1977 survey (using the new 7th Approximation system of soil classification) to a more detailed depiction of Napa Valley's soils based on an increased understanding of (1) the geomorphological history of the Napa Valley and (2) the importance of soil parent material and time as soil-forming factors. There are many more soil types (or potential soil series) in Napa County than the Napa County Soil Survey depicts according to the petitioner.

Dr. Elliott-Fisk further notes that a geomorphic (landscape) surface of a given age will have soils of the same type across it. This is because soil formation is controlled by five factors (known as the soil-forming factors): climate, biota (plants and animals), parent material, relief (topography) and time. The petitioner states that much of the variation of soil types in Napa County is due to variation in the parent material and time factors. Different soil types will be derived from sedimentary bedrock versus volcanic bedrock, whether or not these soils are upland residual soils (with weathering and soil formation in place or *in situ*) or transportation/depositional soils (with soil formation beginning once river or other sediments are deposited). Alluvial soils of different ages (old versus young) will also differ significantly.

On any particular geomorphic surface (such as the Sulphur Creek fan), the parent material, relief and time factors are held constant, with the soils very similar (if not identical) across this surface. For depositional landforms (e.g., mudflow lobes, river terraces, alluvial fan units, etc.), the older deposits will have more strongly formed soils. If a geomorphic surface is disturbed by erosion or deposition, its soil will be altered (if not destroyed), with a new soil then forming.

In Napa Valley distinct differences are seen between hillside soils and valley floor soils, at least in most situations. Hillside soils tend to be formed from bedrock and are shallow whereas valley floor soils tend to be formed from alluvium, colluvium or bay deposits and are often deep. As Napa Valley has been tectonically active, however, these deeper, depositional soils are occasionally found up on the hillsides, uplifted above the valley floor. It is important to separate these depositional hillside soils from residual bedrock soils. They have much higher water-holding capacities and deeper rooting depths, influencing vine growth significantly.

Dr. Elliott-Fisk further indicates that the floor of Napa Valley (excluding the bedrock "islands" which form small hills) has soils formed on (1) alluvial fans of various lithologies, textures, and sizes emerging from tributary watersheds towards the Napa River, (2) alluvial floodplains of various ages along the Napa River and the lower reaches of its tributaries (such as Sulphur Creek), and (3) bay deposits of various types, formed when San Pablo Bay extended into the valley proper. The alluvial fans in particular show marked contrasts in soil types north-south and east-west in the valley as a function of their (1) watershed or drainage basin geology and (2) stream gradient (i.e., topography). Dr. Elliott-Fisk concludes that the soils scientist then expects to find one soil series on fans derived from sedimentary bedrock and another on fans derived from volcanic bedrock.

Geomorphic Units of the Proposed St. Helena Viticultural Area

The valley floor of the proposed St. Helena viticultural area is covered by a series of small fans and contains important areas of Napa River floodplain. Dr. Elliott-Fisk has described the geomorphic units as follows:

North to South on West Side of Valley

(1) Ritchie Creek Fan (the southern edge of it extending south of Bale Lane into the proposed viticultural area); principally in the area north of St. Helena;
(2) Mill Creek Fan;
(3) Hirsch Creek Fan;
(4) York Creek Fan;
(5) Sulphur Creek Fan; and
(6) Bear Canyon Fan Complex (in approved Rutherford viticultural area).

North to South on East Side of Valley

(1) Simmons Canyon Fan (north of the proposed St. Helena viticultural area);
(2) Dutch Henry and Biter Creek Fan Complex (north of the proposed St. Helena viticultural area, reaching almost to Bale Lane);
(3) Unnamed Fan west of Bell Canyon Reservoir and Crystal Springs Road;
(4) Base of Pratt Valley (very small fan);
(5) Base of Deer Park (unnamed tributary small fan);
(6) Base of Spring Valley (very small fan; mostly within Spring Valley); and
(7) Conn Creek Fan Complex (in approved Rutherford viticultural area).

Napa River Floodplain and River Terraces

(1) Current incised channel of the Napa River;
(2) Current floodplain of the Napa River; and
(3) Older floodplains of the Napa River at higher elevations.

[These landforms follow the channel of the Napa River, except for older terraces along the hillsides, which are largely obscured by dense hillside woodland and forest; these terraces are discovered through intensive field studies.]

Dr. Elliott-Fisk notes that the geomorphic depositional units (i.e., landforms) in the proposed St. Helena viticultural area are composed almost exclusively of volcanic lithologies (around 85–90 percent volcanics typically occasionally dropping to 70 percent on parts of the Sulphur Creek fan, with the remainder sedimentary and metamorphic inclusions from the bedrock underlying the Sonoma Volcanics). The upper part of the Sulphur Creek Basin contains small units of sandstone and metamorphic

lithologies exposed at the surface through faulting and slope failure. Despite this, volcanic rhyolitic tuff, rhyolite, dacite and andesite are by far the dominant surficial geologies, compared to the Bear Canyon Fan Complex to the south which is 30 percent or less volcanics and the remainder sedimentary.

Dr. Elliott-Fisk further observes that although several types of volcanic rocks compose the St. Helena hillside, the most widespread (and as such, ubiquitous) units are volcanic ash-flows, referred to as tuffs, with occasional volcanic mudflows. The matrix is rhyolitic in composition, with incorporated clasts of obsidian, rhyolite, andesite, dacite and tuff. Occasional metamorphic clasts of cobble or smaller size are seen. This geologic parent material is slightly acidic to acidic, with water-holding capacity of tuffaceous bedrock units moderate. This potential soil parent material is brought down both slopes to the west and east of the valley floor by hillside erosion, runoff, and tributary streamflow.

According to Dr. Elliott-Fisk, the Napa River has incised through these fan deposits discharging on the valley floor and migrated as a consequence of the resistance of these deposits versus its own stream power. The Napa River floodplain, and its associated recent terraces, varies in width throughout this section of Napa Valley but has formed important terraces along the eastern valley edge. Distinct breaks in the natural vegetation are seen at the terrace/alluvial fan transition, as the terraces have more fertile soils with a greater water-holding capacity. As the width of the valley floor in the St. Helena area is on the average less (e.g., more narrow) than anywhere else in the Napa Valley, these terraces form less viticultural acreage than in the southern or middle sections of Napa Valley.

The lower hillside slopes below the 400-foot elevation are difficult to map on a broad scale depicting geomorphic surfaces. This is largely a function of abrupt changes in slope angle and vegetation type, which influence long-term slope stability. Small areas of uplifted depositional surfaces (alluvial fans and stream floodplain terraces) were found across these lower slopes in the proposed St. Helena area, however.

Soils of the Proposed St. Helena Viticultural Area

With regard to the soils within the proposed viticultural area, Dr. Elliott-Fisk states that the Sonoma Volcanics rim all sides of the valley in the St. Helena area, and as such the depositional valley floor soils (which may be very bouldery deposits across alluvial fans or finer, but still gravelly deposits along the Napa River proper, all principally Xerolls) are volcanic in origin, and deep, very gravelly sandy loams to sandy clay loams to clay loams, with low to moderate water holding capacities. Sediments have been transported relatively short distances from their origins, as this is the headwater area of the Napa River system, and as such the soils contain a higher percentage of coarse clasts (especially boulders), with sand dominating the fine fraction of almost every soil. Dr. Elliott-Fisk notes that small sections of the upper stream basins of Sulphur Canyon and the Spring Mountain region contain the massive Franciscan marine sandstone and conglomerate, with its affiliated volcanic and metamorphic inclusions. The lithology of the fine clasts that compose the alluvial fans in this immediate region (i.e., Sulphur Creek fan) include a higher portion of non-volcanic clasts (up to 15 percent, to occasionally 30 percent) than alluvial fans to the north, such as the Ritchie Creek fan below Diamond Mountain, located largely north of the proposed northern St. Helena viticultural area boundary. However, the percentage of non-volcanic clasts is much higher to the south of the St. Helena viticultural area (i.e., Bear Canyon fan). The lower toe-slopes of the mountain slopes in the St. Helena area (below the 400-foot elevation) contain both Xerolls and Xeralfs, depending on slope stability and age.

Dr. Elliott-Fisk states that she has excavated an additional 17 soil trenches in the process of her scientific investigation in this area. She states that she has done previous soils work in this region and has excavated over 350 soil trenches in Napa Valley. She has provided, as part of the petition, profile drawings, descriptive field, and analytical laboratory data for 17 soils by horizon. Four of these soils are from property outside of the proposed boundaries of the St. Helena viticultural area and were chosen to be representative of those areas.

Soil Summary

The soils of the proposed St. Helena viticultural area, according to the petition, are deep alluvial soils of moderate age, with well-formed horizonation, textural B horizons, sandy clay loam to clay loam textures, reddish colors, high gravel content (primarily of cobbles), and near neutral pH. In this erosional zone of the valley floor, where the width is restricted, groundwater and the groundwater table have a significant influence, bringing in additional dissolved minerals and increasing the pH (and nutritional content) above the valley floor soils to the north (Calistoga region) and south (Rutherford and Oakville), as well as the hillsides (Spring Mountain, Diamond Mountain, Howell Mountain and Pritchard Hill). The soil drainage in the St. Helena area is typically good since the water table drops in the spring, summer and fall to allow the vines an adequate root zone with free oxygen and carbon dioxide, thus providing vigorous conditions for grape growing. The moderate climate, with warm summer temperature, balances well with this soil environment, and allows the wine grower to manipulate the vines to extract what the winemaker desires from a particular varietal. As such, Dr. Elliott-Fisk concludes that this provides a stable and predictable environment for grape growing, and the physical geography of the region has promoted the production of fine wines in the St. Helena area for many decades.

Conclusion

According to the petitioner, the proposed St. Helena viticultural area is uniform topographically and can be distinguished from the steeper hillsides to the east (Howell Mountain) and west (Spring Mountain District) as well as from the valley floor areas to the south (Rutherford) and north (Calistoga). This is an area where the valley floor narrows from around 19,000 feet at Oakville Cross Road and 11,000 feet at Zinfandel Lane to around 3,500 feet at Lodi Lane and Bale Lane. The area is marked by a uniform, steep gradient and significant river erosion. The bedrock geology is primarily volcanic, in contrast to the sedimentary soils to the south.

The petitioner states that along the eastern edge of the proposed St. Helena area, geologic and geographic evidence support the inclusion of Spring Valley and Pratt Valley and the exclusion of Conn Valley and the higher mountain slopes.

Proposed Boundary

The boundary of the proposed St. Helena viticultural area may be found on three United States Geological Survey (U.S.G.S.) maps with a scale of 1:24,000. The boundary is described in proposed § 9.149.

Paperwork Reduction Act

The provisions of the Paperwork Reduction Act of 1980, Public Law 96–511, 44 U.S.C. Chapter 35, and its implementing regulations, 5 CFR Part 1320, do not apply to this notice of proposed rulemaking because no

requirement to collect information is proposed.

Regulatory Flexibility Act

It is hereby certified that this proposed regulation will not have a significant economic 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 that 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 region.

Accordingly, a regulatory flexibility analysis is not required because the proposal, if promulgated as a final rule, is not expected (1) to have significant secondary, or incidental effects on a substantial number of small entities; or (2) to impose, or otherwise cause a significant increase in the reporting, recordkeeping, or other compliance burdens on a substantial number of small entities.

Executive Order 12866

It has been 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.

Public Participation

ATF requests comments from all interested parties. 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, but assurance of consideration cannot be given except as to comments received on or before the closing date.

ATF will not recognize any comment as confidential. Comments may be disclosed to the public. Any material which a commenter considers to be confidential or inappropriate for disclosure to the public should not be included in the comment. The name of the person submitting a comment is not exempt from disclosure. During the comment period, any person may request an opportunity to present oral testimony at a public hearing. However, the Director reserves the right to determine, in light of all circumstances, whether a public hearing will be held.

Drafting Information

The principal author of this document is Robert White, Wine and Beer Branch, 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:

Authority: 27 U.S.C. 205.

Par. 2. Subpart C is amended by adding § 9.149 to read as follows:

Subpart C—Approved American Viticultural Areas

* *

§ 9.149 St. Helena.

(a) *Name.* The name of the viticultural area described in this section is "St. Helena."

(b) *Approved maps.* The appropriate maps for determining the boundary of the St. Helena viticultural area are three U.S.G.S. 7.5 minute series topographical maps of the 1:24,000 scale. They are titled:

(1) "St. Helena Quadrangle, California," edition of 1960, photorevised 1980.

(2) "Calistoga Quadrangle, California," edition of 1958, photorevised 1980.

(3) "Rutherford Quadrangle, California," edition of 1951, photorevised 1968, photoinspected 1973.

(c) *Boundary.* The St. Helena viticultural area is located in Napa County in the State of California. The boundary is as follows:

(1) Beginning on the Rutherford Quadrangle map at the point of intersection between State Highway 29 and a county road shown on the map as Zinfandel Avenue, known locally as Zinfandel Lane, the boundary proceeds in a southwest direction along Zinfandel Avenue to its intersection with the north fork of Bale Slough (blueline stream) near the 201 foot elevation marker;

(2) Thence in a northwesterly direction approximately 2,750 feet along the north fork of Bale Slough to a point of intersection with a southwesterly straight line projection of a light duty road locally known as Inglewood Avenue;

(3) Thence in a straight line in a southwesterly direction along this projected extension of Inglewood Avenue approximately 2,300 feet to its intersection with the 500 foot contour line in Section 7 Township 7 North (T7N), Range 5 West (R5W);

(4) Thence along the 500 foot contour line in a generally northwesterly direction through Sections 7 1 and 2, to its intersection of the western border of Section 2, T7N, R6W·

(5) Thence northerly along the western border of Section 2 approximately 500 feet to its intersection with Sulphur Creek in Sulphur Canyon in the northwest corner of Section 2, T7N, R6W;

(6) Thence along Sulphur Creek in an easterly direction approximately 350 feet to its intersection with the 400 foot contour line;

(7) Thence along the 400 foot contour line in a generally easterly, then northwesterly, direction past the city of St. Helena (on the St. Helena Quadrangle map) to a point of intersection with a southwesterly straight line projection of the county road shown as Bale Lane in the Carne Humana Rancho on the Calistoga Quadrangle map;

(8) Thence along the projected straight line extension of Bale Lane in a northeasterly direction approximately 700 feet to the intersection of State Highway 29 and Bale Lane and continuing northeasterly along Bale Lane to its intersection with the Silverado Trail;

(9) Thence in a northwesterly direction along the Silverado Trail approximately 1,500 feet to an unmarked driveway on the north side of the Silverado Trail near the 275 foot elevation marker;

(10) Thence approximately 300 feet northerly along the driveway to and beyond its point of intersection with another driveway and continuing in a straight line projection to the 400 foot contour line;

(11) Thence in a northeasterly and then generally southeasterly direction along the 400 foot contour line through Sections 10 (projected), 11, 12, 13, 24 and 25 in T8N, R6W, Section 30 in T8N, R5W Sections 25 and 24 in T8N, R6W, Sections 19, 30, and 29 in T8N, R5W to a point of intersection with the county road shown as Howell Mountain Road in Section 29, T8N, R5W, on the St. Helena Quadrangle map;

(12) Thence in a northeasterly direction approximately 900 feet along Howell Mountain Road to its intersection with Conn Valley Road;

(13) Thence northeasterly and then southeasterly along Conn Valley Road to its intersection with the eastern boundary of Section 28, T8N, R5W;

(14) Thence south approximately 5,200 feet along the eastern boundary of Sections 28 and 33 to a point of intersection with the 380 foot contour line near the southeast corner of Section 33, T8N, R5W on the Rutherford Quadrangle map;

(15) Thence in a northwesterly direction along the 380 foot contour line in Section 33 to a point of intersection with a northeasterly straight line projection of Zinfandel Avenue;

(16) Thence in a southwesterly direction approximately 950 feet along this straight line projection of Zinfandel Avenue to its intersection with the Silverado Trail;

(17) Thence continuing along Zinfandel Avenue in a southwesterly direction to its intersection with State Highway 29, the point of beginning.

Signed: October 24, 1994.

Daniel R. Black,

Acting Director.

[FR Doc. 94-27397 Filed 11-3-94; 8:45 am]

BILLING CODE 4810-31-U

DEPARTMENT OF TRANSPORTATION

Coast Guard

46 CFR Part 171

[CGD 94-010]

RIN 2115-AE75

Standards for Damage Stability of New Domestic Passenger Vessels

AGENCY: Coast Guard, DOT.

ACTION: Notice of public meeting; re-opening of comment period.

SUMMARY: On August 10, 1994 (59 FR 40855), the Coast Guard proposed to amend the rules, on standards for damage stability that it adopted on December 10, 1992. Amended rules are necessary to relieve certain vessels of an unforeseen regulatory burden. The proposed rules would relieve those vessels of that burden and yet minimize the potential for capsizing and other casualties caused by inadequate damage stability. To obtain further information from members of the regulated community and the general public, the Coast Guard will conduct a second public meeting and re-open the comment period on the amended rules.

DATES: The meeting will be held December 1, 1994, from 1:30 p.m. to 4:00 p.m. Written material must be received not later than December 16, 1994.

ADDRESSES: The meeting will be held in room 2415, Coast Guard Headquarters, 2100 Second Street S.W., Washington, DC 20593-0001. Written comments may be mailed to the Executive Secretary, Marine Safety Council (G-LRA), U.S. Coast Guard, 2100 Second Street S.W., Washington, DC 20593-0001, or may be delivered to room 3406 at the same address between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays. Comments will become part of this docket and will be available for inspection or copying at room 3406, Coast Guard Headquarters, between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Patricia L. Carrigan, Marine Technical and Hazardous Materials Division (G-MTH-3), U.S. Coast Guard Headquarters, 2100 Second Street S.W., Washington, DC 20593-0001, telephone: (202) 267-2988, telefax: (202) 267-4816.

SUPPLEMENTARY INFORMATION:

Request for Comments

The comment period for the amended rules is being extended to allow sufficient time for the public to review the report of the Department of Transportation Volpe Transportation Systems Center on the effect of the new damage stability rules on the domestic passenger vessel fleet. This detailed analysis of twenty-one domestic vessel designs was released in late September 1994, and a copy has been placed in this docket. Information on obtaining a copy of this report may be obtained by contacting the person listed above under **FOR FURTHER INFORMATION CONTACT.**

This notice extends the period for submission of comments on the proposed changes to 46 CFR 171.080(e) described in the Notice of Proposed Rulemaking published on August 10, 1994 (59 FR 40855). It is the Coast Guard's goal to implement regulations that will best address both the safety and the operational needs of all vessels. These standards were based on one developed by the International Maritime Organization (IMO) for any passenger vessel allowed to carry 12 or more passengers on an international voyage (under a "SOLAS Passenger Ship Certificate").

The Coast Guard again seeks advice from owners and operators of vessels and shipyards, and from naval architects, its own inspectors, classification societies' inspectors, consumers, crews of vessels, and others involved in the affected vessels' compliance with § 171.080(e) as this proposed rule would amend it. Interested persons are invited and encouraged to participate by submitting written data views and arguments.

Persons submitting comments should include their names and addresses, identify this notice [CGD 94-010], identify the specific paragraph of the section to which each comment applies, and include supporting documents or sufficient detail to indicate the reason for each comment. The Coast Guard will acknowledge receipt of comments if a stamped, self-addressed post card or envelope is enclosed with the comments.

Public Meeting Date

The Coast Guard has determined that the opportunity to make further oral presentations will aid the rulemaking process and will hold a second public meeting from 1:30 p.m. to 4:00 p.m. on December 1, 1994, in room 2415 of Coast Guard Headquarters, Washington, DC 20593-0001. With advance notice, and as time permits, members of the public may make oral presentations during the meeting. Persons wishing to make oral presentations should notify the person listed above under the **FOR FURTHER INFORMATION CONTACT** no later than the day before the meeting. Written material may be submitted prior to, during, or after the meeting.

Dated: October 27 1994.

J. C. Card,

Rear Admiral, U.S. Coast Guard, Chief, Office of Marine Safety, Security and Environmental Protection.

[FR Doc. 94-27319 Filed 11-3-94; 8:45 am]

BILLING CODE 4910-14-M

FEDERAL MARITIME COMMISSION

46 CFR Part 552

[Docket No. 94-07]

Financial Reporting Requirements and Rate of Return Methodology in the Domestic Offshore Trades

AGENCY: Federal Maritime Commission.

ACTION: Notice of proposed rulemaking; reply comments.

SUMMARY: The Commission is seeking reply comments to its Notice of Proposed Rulemaking concerning financial reporting requirements and the rate of return methodology in the domestic offshore trades. The Commission has received seven comments on the proposed rule which