

There will be a joint meeting of representatives from the Council's Groundfish, Monkfish, Habitat, Sea Scallop, Skate, Whiting and Herring Advisory Panels to comment on and develop alternatives to Essential Fish Habitat (EFH) area management currently proposed for the Scallop Amendment 10 Draft Supplemental Environmental Impact Statement.

Wednesday, February 12, 2003, at 10 a.m. and Thursday, February 13, 2003 at 8:30 a.m. Monkfish Oversight Committee Meeting.

Location: Sheraton South Portland Hotel, 363 Maine Mall Road, South Portland, ME 04106; telephone: (207) 775-6161.

The Committee will discuss issues and options to be included in the Monkfish Amendment 2 Draft Environmental Impact Statement (DSEIS). Alternatives designed to achieve the approved goals and objectives include, but are not limited to: Permit qualification criteria for vessels fishing south of 38°N; management program for a deepwater directed fishery in the SFMA; separation of monkfish days-at-sea (DAS) from multispecies and sea scallop DAS programs, including counting of monkfish DAS as 24-hour days; measures to minimize impacts of the fishery on endangered sea turtles; measures to minimize bycatch in directed and non-directed fisheries; an exemption program for vessels fishing for monkfish outside of the EEZ (in the NAFO Regulated Area); alternative measures to minimize impacts of the fishery on EFH; measures to improve data collection and research on monkfish, including mechanisms for funding cooperative research programs; and, timing of the annual review and adjustment process. The Committee may develop and recommend other management alternatives not included in the list above.

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during this meeting. Action will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Act, provided the public has been notified of the Council's intent to take final action to address the emergency.

#### Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids

should be directed to Paul J. Howard (see **ADDRESSES**) at least 5 days prior to the meeting dates.

Dated: January 16, 2003.

**Richard W. Surdi,**

*Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 03-1465 Filed 1-22-03; 8:45 am]

**BILLING CODE 3510-22-S**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

[I.D. 011003A]

#### NOAA Strategic Plan

**AGENCY:** Office of Strategic Planning (OSP), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice of intent to prepare a new NOAA Strategic Plan; request for comments.

**SUMMARY:** The National Oceanic and Atmospheric Administration (NOAA) is the United States' premier agency for environmental assessment and prediction and management providing broad benefit to the Nation in the areas of economy, public safety and the environment. NOAA has recently begun the process of creating a new Strategic Plan for the agency responding to growing needs of the Nation for environmental information and management. One of the objectives of the new NOAA Strategic Plan is to directly address the President's Management Agenda including principles for a citizen-centered, results oriented, and market-based government. To that end, NOAA has conducted a series of stakeholder and employee workshops in Seattle, New Orleans, Boston, Washington, DC, Boulder, Cleveland and Puerto Rico over the past several months and has used this input to lay the foundation for drafting the new NOAA Strategic Plan. Important themes that emerged from these meetings were ecosystem approaches to coastal and ocean resource management, climate variability and change and weather and water information needs as well as agency-wide cross-cutting priorities that will enhance NOAA's mission and provide leadership in the environmental sciences to better serve America in the 21st century. When finalized in early 2003, after public and internal review, the new NOAA Strategic Plan will become the blueprint for the direction of NOAA's core and future missions and will become institutionalized in every aspect of

NOAA's resource planning and priority setting.

**DATES:** Public comments on this document must be received at the appropriate email address (see **ADDRESSES**) on or before 5 p.m., local time, February 14, 2003.

**ADDRESSES:** The NOAA Draft Strategic Plan is available at the OSP web site: <http://www.osp.noaa.gov>. Comments may be sent directly to the OSP email address [strategic.planning@noaa.gov](mailto:strategic.planning@noaa.gov) or visit the OSP website to submit comments. Comments will not be accepted if submitted via phone or fax.

#### FOR FURTHER INFORMATION CONTACT:

James Burgess, Office of Strategic Planning (OSP), National Oceanic and Atmospheric Administration (NOAA), Herbert C. Hoover Building (HCHB), Room 6121, 14th and Constitution Ave., NW, Washington, DC 20230, phone: 202-482-5181, fax: 202-501-3024.

#### SUPPLEMENTARY INFORMATION:

#### Status

NOAA encourages all stakeholders and users to review the draft Strategic Plan. All comments must be submitted by individual participants (persons, businesses, organizations, etc.). Group consensus comments will not be accepted. The discussion draft of the NOAA Strategic Plan and directions for submitting comments have been posted on the website. Comments, questions and suggestions are welcomed from both scientific and stakeholder communities. All comments received will be reviewed and considered in the final drafting of NOAA's new Strategic Plan.

Dated: January 16, 2003.

**James P. Burgess, III**

*Acting Director, Office of Strategic Planning, National Oceanic and Atmospheric Administration.*

[FR Doc. 03-1464 Filed 1-22-03; 8:45 am]

**BILLING CODE 3510-12-S**

## COMMODITY FUTURES TRADING COMMISSION

### Chicago Mercantile Exchange (CME): Proposed Amendments to the Weight Specifications, Speculative Position Limits, Delivery Locations, and Delivery Procedures for the Live Cattle Futures Contract

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Notice of availability of terms and conditions of proposed amendments to the CME's weight specifications, speculative position limits, delivery locations, and delivery

procedures for the live cattle futures contract.

**SUMMARY:** The Chicago Mercantile Exchange (CME or Exchange) has requested that the Commission approve the subject proposed amendments for the live cattle futures contract. The proposals were submitted pursuant to the provisions of Section 5c(c)(2) of the Commodity Exchange Act (Act) and Commission Regulation 40.4(a). Under the proposals, the Exchange will:

1. Increase the maximum live cattle average deliverable live weight by 25 pounds to 1,350 pounds, and increase the maximum individual animal live weight by 25 pounds to 1,400 pounds for cattle graded on a live weight basis;
2. Establish a "scale down" spot month speculative position limit of 450 contracts which applies during the period beginning with the close of business on the first business day following the first Friday of the contract month until the close of business on the business day preceding the last five business days of the contract month, after which period existing 300 contract limit will apply through the last day of trading;
3. Add delivery locations at Guymon and Texhoma, Oklahoma;
4. Establish penalties to be imposed at the sole discretion of the United States Department of Agriculture (USDA) grader, on any seller who has not properly presorted cattle for grading, and on any buyer who disrupts the delivery process, at a rate of \$0.15 per pound of live cattle delivered;
5. Grant the CME the authority to prohibit futures delivery on "auction days" at delivery stockyards;
6. Provide for the establishment of an annual uniform grading and documentation fee per delivery unit;
7. Eliminate the requirement that live-graded delivery cattle stand without water during the time interval between 9 a.m. and the time of grading; and
8. Provide for the application of price differentials to the delivery of steer carcasses weighing between 950 and 1,000 pounds.

The Exchange intends to implement the amendments with respect to all newly listed futures contract months beginning with the December 2003 contract month.

The Director of the Division of Market Oversight (Division) of the Commission, acting pursuant to the authority delegated by Commission Regulation 140.96, has determined that publication of the Exchange's proposed amendments for comment is in the public interest, and will assist the

Commission in considering the views of interested persons.

**DATES:** Comments must be received on or before February 7, 2003.

**ADDRESSES:** Interested persons should submit their views and comments to Jean A. Webb, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581. In addition, comments may be sent by facsimile transmission to (202) 418-5521 or by electronic mail to [secretary@cftc.gov](mailto:secretary@cftc.gov). Reference should be made to "CME Live Cattle Amendments."

**FOR FURTHER INFORMATION CONTACT:** Please contact Martin G. Murray of the Division of Market Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581, (202) 418-5276. Facsimile number: (202) 418-5527. Electronic mail: [mmurray@cftc.gov](mailto:mmurray@cftc.gov)

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

The CME's live cattle futures contract calls for delivery at par of 40,000 pounds of USDA estimated Yield Grade 3, 55% Choice, 45% Select quality grade live steers, averaging between 1,100 pounds and 1,300 pounds with an individual steer weighing more than 100 pounds above or below the average weight for the unit. No individual animal weighing less than 1,050 pounds or more than 1,350 pounds is deliverable.<sup>1</sup> The weighing and grading of cattle delivered on the futures contract is conducted by USDA graders. Delivery of live steers may be made at par at CME-approved livestock yards in Syracuse, Kansas; Tulia, Texas; Columbus, Nebraska; Dodge City, Kansas; Amarillo, Texas; Norfolk, Nebraska; North Platte, Nebraska; Ogallala, Nebraska; Pratt, Kansas; and Clovis, New Mexico.<sup>2</sup> The futures contract's rules currently specify an individual contract month speculative position limit of 3,300 contracts, and a spot month speculative position limit of 300 contracts that becomes effective at the close of business on the first business day following the first Friday of the contract month.<sup>3</sup>

<sup>1</sup> Beginning with deliveries on the June 2003 contract month, the average weight range will be between 1,100 pounds and 1,325 pounds, and no individual animal weighing greater than 1,375 pounds will be deliverable.

<sup>2</sup> At the buyer's option, cattle may be graded on a live basis at the delivery stockyard, or on a carcass basis at a CME-approved packing plant located within the originating stockyard's delivery region.

<sup>3</sup> The last trading day of an expiring contract month is the last business day of the contract month. Delivery notices may be issued beginning

##### *1. Deliverable Live Weight Range*

The Exchange proposes to increase the maximum average deliverable live weight to 1,350 pounds, and increase the maximum individual animal live weight to 1,400 pounds, for cattle graded on a live weight basis. In support of the proposal, the Exchange states, "The increase is recommended due to an evident trend in increased weights for slaughter steers and will allow the contract to follow industry standards."

##### *2. Spot Month Speculative Position Limit*

The Exchange proposes a "scale-down" spot month speculative position limit of 450 contracts which would apply during the period that begins with the close of business on the first business day following the first Friday of the contract month and continues until the close of business on the business day preceding the last five business days of the contract month. The contract's existing 300-contract limit would be applicable from the close of trading on the business day preceding the last five trading days throughout the last day of trading. Currently, there is a signed 300-contract limit applicable throughout the spot month beginning with the close of business on the first business day following the first Friday of the contract month through the last day of trading.

In support of the proposal, the Exchange notes that a "scale down" limit of 600 contract during the first part of the spot month and a 300-contract limit thereafter had been eliminated in favor of a single 300-contract spot month limit for the December 2002 through October 2003 contract months as a result of deliverable supply concerns. The Exchange believes that its subject proposals to widen the range of deliverable live weights, add two new delivery locations, and make other changes in the delivery process as discussed below, "will create a more efficient delivery process, attract more people who are willing to deliver and increase the deliverable supply," thus justifying the establishment of the "scale down" limit of 450 contracts during the first part of the spot month.

##### *3. Delivery Locations*

The Exchange proposes to add Guymon and Texhoma, Oklahoma as delivery locations. In support of the proposal, the Exchange states that these locations would facilitate delivery from the Oklahoma panhandle. The Exchange further notes that Guymon had been a

with the first business day following the first Friday of the contract month.

delivery location until October 2002, when it was removed due to the closing of the facility at this location. Recently, a new operator has re-opened the Guymon facility and has expressed an interest in being reinstated as a Live Cattle delivery point. In addition, the Texhoma Livestock Auction in Texhoma, Oklahoma has expressed an interest to the Exchange in becoming a Live Cattle delivery point.

#### 4. Penalties for Delivery Obstructions

The Exchange proposes to penalize any seller who has not properly pre-sorted cattle for grading, at a rate of \$.015 per pound of live cattle delivered per business day until proper delivery is made. In addition, the Exchange proposes to penalize any buyer who disrupts the delivery process, at a rate of \$.015 per pound of live cattle delivered. These penalties to the seller and buyer would be imposed at the discretion of the USDA grader.

In support of the proposal, the Exchange indicates that the potential imposition of penalties will increase the "throughput" of the delivery system, by reducing the likelihood of impediments to the efficient operation of the grading process resulting from the actions of sellers and buyers. In this regard, the Exchange notes that failure on the part of a deliverer to do a proper job of sorting the cattle prior to delivery reduces the number of deliveries that can be completed in a given time period, and takes unfair advantage of those delivering shorts who properly sort their cattle. In addition, disruptive behavior by receiving longs and/or their agents interferes with the delivery process and reduces the number of deliveries that can be completed in a given time period. The Exchange further believes that the USDA grader is the logical party to determine whether, and to what extent, a delivering short or receiving long has disrupted the delivery process because it is the only unbiased, independent participant in the process, and USDA personnel are present at every delivery. The Exchange notes that the USDA has agreed to accept the responsibility for making these determinations.

#### 5. Prohibit Deliveries at Certain Locations on Auction Days

The Exchange proposes to give itself the discretion to prohibit delivery at particular stockyards on those dates when an auction or other activity that may interfere with futures delivery is taking place at such stockyards. In support of the proposal, the Exchange notes that all of the contract's existing delivery locations hold feeder cattle

auctions as their primary business, and that live cattle futures deliveries compete for many of the same resources, such as scales, pens, sorting alleys, etc. Although the Exchange historically has relied on the operators of the delivery stockyards to discourage deliveries on auction dates, it has proven difficult in practice for operators to do so. As a result, deliveries made on auction days have resulted in greater failure rates caused by auction-related operational bottlenecks that prevent cattle from being presented in a timely manner to the USDA grader.

The Exchange notes that it will determine in advance and "black out" auction days in its electronic tender system, making it impossible for a delivering short to submit a tender for delivery on those dates. Further, the Exchange notes that this prohibition on auction-day deliveries would apply generally to all locations, with the exception of Amarillo and Dodge City, "where there are multiple scales and ample pens and sorting alleys."

#### 6. Uniform Grading and Documentation Fees

The Exchange is proposing to establish and set annually a uniform grading and documentation fee per delivery unit, which will be charged to sellers for each contract unit of cattle delivered on the futures contract. The fee will be applicable at all delivery locations. Currently, the Exchange passes through to the seller the actual costs billed to it by the USDA for grading services. The Exchange notes that USDA grading fees vary widely by location, ranging from \$42 to \$484, depending on the travel costs incurred by USDA to service a particular location. The Exchange believes that this variability has "introduced a large degree of uncertainty into the delivery process for those planning to deliver at locations which require USDA travel." The Exchange further notes that the USDA is intending to propose a uniform flat fee of \$100 per delivery unit for CME live graded deliveries.

#### 7. Standing Without Water

The Exchange proposes to eliminate the requirement that live-graded delivery cattle stand without water during the time interval between 9 a.m. and the time of grading. Cattle will continue to be denied access to feed during this period.

#### 8. Price Differentials for Heavy Carcasses

The Exchange proposes to provide for the application of price differentials to the delivery of steer carcasses weighing

between 950 and 1,000 pounds based on price data from USDA's National Weekly Direct Slaughter Cattle—Premiums and Discounts report, which is used under existing rules for establishing a price differential for cattle weighing between 900 and 950 pounds. Currently, cattle weighing between 950 and 1,000 pounds are discounted at a rate equal to 20% of the final settlement price. In support of the proposal, the Exchange states that the proposal "would allow more precise discounting of carcasses in this weight bracket."

The Division is requesting comment on the proposals. Copies of the Exchange's proposed amendments will be available for inspection at the Office of the Secretariat, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581. Copies of the proposed amendments can also be obtained through the Office of the Secretariat by mail at the above address or by phone at (202) 418-5100.

Other materials submitted by the CME in support of the request for approval may be available upon request pursuant to the Freedom of Information Act (5 U.S.C. 552) and the Commission's regulations there under (17 CFR Part 145 (2002)), except to the extent they are entitled to confidential treatment as set forth in 17 CFR 145.5 and 145.9. Requests for copies of such materials should be made to the FOI, Privacy and Sunshine Act Compliance Staff of the Office of Secretariat at the Commission's headquarters in accordance with 17 CFR 145.7 and 145.8.

Any person interested in submitting written data, views, or arguments pertaining to the proposed amendments or with respect to other materials submitted by the CME should send such comments to Jean A. Webb, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581 by the specified date.

Dated: Issued in Washington, DC on January 17, 2003.

**Michael Gorham,**  
Director.

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## DEPARTMENT OF DEFENSE

### Office of the Secretary

### Submission for OMB Review; Comment Request

**ACTION:** Notice.

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