liability. This phased approach will allow adequate time for the additional interagency coordination necessary to ensure consistency in implementing the CPI adjustments to the OPA 90 limits of liability for all onshore and offshore facilities.

A. What Are the Inflation-adjusted OPA 90 Limits of Liability for Vessels and Deepwater Ports?

The new OPA 90 limits of liability for vessels and Deepwater Ports (rounded to the closest $100), adjusted for inflation using the adjustment methodology established by this rulemaking, are:

Source category	Previous limit of liability	New limit of liability
(a) Vessels:		
(1) For an oil cargo tank vessel greater than 3,000 gross tons with a single hull, including a single-hull tank vessel fitted with double sides only or a double bottom only.	The greater of $3,000 per gross ton or $22,000,000.	The greater of $3,200 per gross ton or $23,496,000.
(2) For a tank vessel greater than 3,000 gross tons, other than a vessel referred to in (a)(1).	The greater of $1,900 per gross ton or $16,000,000.	The greater of $2,000 per gross ton or $17,088,000.
(3) For an oil cargo tank vessel less than or equal to 3,000 gross tons with a single hull, including a single-hull tank vessel fitted with double sides only or a double bottom only.	The greater of $3,000 per gross ton or $6,000,000.	The greater of $3,200 per gross ton or $6,408,000.
(4) For a tank vessel less than or equal to 3,000 gross tons, other than a vessel referred to in (3).	The greater of $1,900 per gross ton or $4,000,000.	The greater of $2,000 per gross ton or $4,272,000.
(5) For any other vessel	The greater of $950 per gross ton or $800,000.	The greater of $1,000 per gross ton or $854,400.
(b) Deepwater Ports:		
(1) For a Deepwater Port, other than a Deepwater Port with a limit of liability established by regulation under 33 U.S.C. 2704(d)(2).	$350,000,000	$373,800,000.
(2) For the Louisiana Offshore Oil Port (LOOP)[2].	$62,000,000	$87,606,000.

The new inflation-adjusted limits of liability for vessels and Deepwater Ports are set forth in § 138.230(a) and (b).[3]

We note that the single-hull tank vessel limits of liability were described in 33 CFR part 138, subpart B, and in the CPI NPRM as applying to all tank vessels. Following the public comment period for the CPI NPRM, however, the Coast Guard determined that the single-hull limits of liability only apply under the OPA 90 statutory scheme to a single-hull tank vessel that is ''constructed or adapted to carry, or carries, oil in bulk as cargo or cargo residue'' (referred to in this preamble as a single-hull ''oil cargo tank vessel''). The Coast Guard is, therefore, amending §§ 138.220 (Definitions) and 138.230 (Limits of liability) to clarify this point, and invites public comment on this issue.

[2] Currently LOOP is the only Deepwater Port with a limit of liability established by regulation under 33 U.S.C. 2704(d)(2).

[3] Section 138.230(b)(2)(i) contains the limit of liability for LOOP. Section 138.230(b)(2)(ii) has been reserved for future use to set forth any other Deepwater Port limits of liability that may be established by regulation under 33 U.S.C. 2704(d)(2). Section 138.230(c) has been reserved for future use to set forth the limit of liability for MTR onshore facilities.

B. Explanation of the CPI Adjustment Methodology

1. How does the Coast Guard calculate the CPI adjustment to the limits of liability?

We calculate the CPI adjustments to the limits of liability for Coast Guard source categories using the following formula:

New limit of liability = Previous limit of liability + (Previous limit of liability x percent change in the CPI from the year the Previous limit of liability was established, or last adjusted by statute or regulation, whichever is later, to the present year), then rounded to the closest $100.

2. Which CPI does the Coast Guard use?

The BLS publishes a variety of inflation indices. We use the ''Consumer Price Index—All Urban Consumers, Not Seasonally Adjusted, U.S. City Average, All Items, 1982 – 84 = 100'', also known as ''CPI–U''. This is the most current and is the broadest index published by BLS. It also is commonly relied on in insurance policies and other commercial transactions with automatic inflation protection, by the media, and by economic analysts.

3. What time interval CPI–U does the Coast Guard use for the adjustments?

BLS publishes the CPI–U in both monthly and annual periods. For consistency and simplicity, we use the annual period CPI–U (hereinafter the ''Annual CPI–U'') rather than the monthly period CPI–U. In this way, as explained further in the CPI NPRM, we can avoid having to publish distinct percent change values for the different sources and source categories in future adjustment cycles, based on the month when each source or source category's limit of liability was established or last adjusted.

4. How does the Coast Guard calculate the percent change in the Annual CPI–U?

We calculate the percent change in the Annual CPI–U using the BLS escalation formula described in Fact Sheet 00–1, U.S. Department of Labor Program Highlights, ''How to Use the Consumer Price Index for Escalation'', September 2000.

This formula provides that:

Percent change in the Annual CPI–U = [(Annual CPI–U for Current Period – Annual CPI–U for Previous Period) ÷ Annual CPI–U for Previous Period] X 100.