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DEPARTMENT OF AGRICULTURE

Rural Utilities Service

7 CFR Part 1786

Prepayment of RUS Guaranteed and Insured Loans to Electric and Telephone Borrowers

CFR Correction

In Title 7 of the Code of Federal Regulations, Parts 1600 to 1899, revised as of Jan. 1, 2001, § 1786.31 is corrected by removing the second paragraph (c) on page 1018.

[FR Doc. 01–55509 Filed 3–20–01; 8:45 am]

BILLING CODE 1505–01–D

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 99–NM–108–AD; Amendment 39–12147; AD 2001–05–10]

RIN 2120–AA64

Airworthiness Directives; McDonnell Douglas Model DC–10 and MD–11 Series Airplanes, and KC–10A (Military) Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to all McDonnell Douglas Model DC–10 and MD–11 series airplanes, and KC–10A (military) airplanes, that requires installation of thrust reverser interlocks on certain airplanes, inspections of the thrust reverser systems to detect discrepancies on certain other airplanes, and corrective actions, if necessary. This amendment is prompted by a determination that the current thrust reverser systems do not adequately preclude unwanted deployment of a thrust reverser. The actions specified by this AD are intended to prevent unwanted deployment of a thrust reverser, which could result in reduced controllability of the airplane.

DATES: Effective April 25, 2001.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of April 25, 2001.

ADDRESSES: The service information referenced in this AD may be obtained from Boeing Commercial Aircraft Group, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Technical Publications Business Administration, Dept. C1–L51 (2–60). This information may be examined at the Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Philip Kush, Aerospace Engineer, Propulsion Branch, ANM–140L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712–4137; telephone (562) 627–5263; fax (562) 627–5210.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to all McDonnell Douglas Model DC–10 and MD–11 series airplanes, and KC–10A (military) airplanes, was published in the **Federal Register** on November 30, 1999 (64 FR 66816). That action proposed to require installation of thrust reverser interlocks on certain airplanes, inspections of the thrust reverser systems to detect discrepancies on certain other airplanes, and corrective actions, if necessary.

Comments

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

All commenters agree with the intent of the proposed AD; however, some of them request that certain aspects of the proposed AD be revised.

Requests to Revise Certain Compliance Times

Two commenters request that the proposed compliance time (i.e., within 1,500 flight hours or 6 months after the effective date of this AD, whichever occurs first) specified in paragraphs (a), (b), and (c) of the proposed AD be revised. One commenter suggests a compliance time of ''6,000 flight hours or 18 months, whichever occurs first.'' This commenter states that such an extension will allow the proposed actions to be done at a ''Light Check'' where special equipment and trained maintenance personnel will be available, if necessary, instead of during line maintenance. The second commenter suggests ''3,000 flight hours or 12 months after the AD effective date.'' This commenter states that such an extension will allow affected operators to do the proposed actions during a regularly scheduled maintenance interval, thereby preventing service disruptions.

The FAA does not agree with the first commenter's request to extend the compliance time to ''6,000 flight hours or 18 months, whichever occurs first.'' However, we agree with the second commenter's request to extend the compliance time to ''within 3,000 flight hours or 12 months after the effective date of this AD, whichever occurs first.'' Extending the compliance time by an additional 1,500 flight hours or 6 months will not adversely affect safety and will allow the actions required by paragraphs (a), (b), and (c) of this AD to be performed at a base during regularly scheduled maintenance where special equipment and trained maintenance personnel will be available if necessary. Extending the compliance time beyond 3,000 flight hours or 12 months after the effective date of this AD may affect safety. In addition, no information has been provided to justify the extension beyond this time. Therefore, we have revised paragraphs (a), (b), and (c) of the final rule accordingly.

One commenter requests that the compliance time specified in paragraphs (d)(1) and (d)(2) of the proposed AD be revised to include a grace period of ''or at the next scheduled [Certification

Maintenance Requirements (CMR)] check interval of 17,000 flight hours per CMR, Revision N, whichever occurs first.'' The commenter also requests that a grace period of ''or at the next scheduled CMR check interval of 13,800 flight hours per CMR, Revision N, whichever occurs first,'' be included in paragraph (h) of the proposed AD. The commenter states that these grace periods would ensure that previous CMR inspection intervals (i.e., 17,000 or 13,800 flight hours, as applicable) for the General Electric (GE) configuration documented in Boeing MD–11 CMR, Report Number MDC–K4174, Revision N, are not exceeded with the compliance time for the initial inspection specified in paragraphs (d)(1), (d)(2), and (h) of the proposed AD, as applicable.

The FAA does not agree. The type certificate for these airplanes includes a CMR to perform this same inspection at intervals not to exceed 17,000 or 13,800 flight hours, respectively. This CMR is still in effect and must be complied with. If the CMR requires an inspection before the compliance time stated in paragraphs (d)(1), (d)(2) or (h) of this AD, as applicable, operators may take credit for doing the CMR, and then repeat the inspection at the intervals specified in the applicable paragraph. We have included new notes in the final rule to clarify this information.

Request to Revise Repetitive Inspection Intervals

One commenter requests that a second interval of ''450 flight cycles, whichever occurs later,'' be added to the repetitive inspection intervals in paragraphs (d)(1), (e), (g)(1), and (g)(2) of the proposed AD. The commenter states that the deterioration of the entire thrust reverser system is mainly based on flight cycles rather than flight hours. The commenter states that this second interval would allow operators to fit the initial inspections interval into their A-check schedule.

The FAA does not agree. Compliance times for AD's are normally based on a parameter related to failure of a particular component. In this case, latent (hidden) failures and consequent unwanted deployment of a thrust reverser in flight are undoubtedly related to the number of flight hours. Flight cycles do not take into account the wear and tear that the thrust reverser and associated wiring receive during the entire flight envelope. In addition, the safety analysis tools, supporting reliability data, and safety criteria to establish inspection intervals are based on flight hours. Furthermore, the FAA has not been provided with the necessary information to determine that there is an apparent direct relationship between flight-hour inspection intervals and flight-cycle inspection intervals.

Request to Reference Revision Q of Boeing MD–11 CMR

One commenter requests that the proposed AD be revised to reference Revision Q of the Boeing MD–11 CMR. The commenter states that changes have been made recently to two MD–11 Airplane Maintenance Manual (AMM) references in the Boeing MD–11 CMR, Revision P, for the GE CF6–80C2D1F thrust reverser system. The commenter further described the exact changes. The commenter also states that it will release Revision Q of the Boeing MD–11 CMR to reflect the AMM changes.

The FAA agrees. We have reviewed and approved pages 17 and 18 of Boeing MD–11 CMR, Report Number MDC–K4174, Revision Q, dated December 22, 1999. The inspection and test procedures are identical to those described in Revision P of the Boeing MD–11 CMR [which was referenced in paragraph (d) of the NPRM as an appropriate source of service information]. The only change effected by Revision Q is to reference recently relocated sections of the McDonnell Douglas MD–11 AMM. Therefore, we have revised paragraph (d) of the final rule to include Revision Q of the Boeing MD–11 CMR as an additional source of service information.

Request to Delete Reference to a Certain Chapter of the MD–11 AMM

One commenter requests that, in the bulleted list of documents under the heading ''Explanation of Relevant Service Information'' and paragraph (i)(1) of the proposed AD, the reference to Chapter 71 of McDonnell Douglas MD–11 AMM be deleted. The commenter states that all check procedures for the thrust reverser system now reside only in Chapter 78 of McDonnell Douglas MD–11 AMM.

The FAA agrees. The FAA acknowledges that the corrective actions, if necessary, required by this AD are now only specified in Chapter 78 of McDonnell Douglas MD–11 AMM. Therefore, we have deleted the reference to Chapter 71 in the bulleted list in paragraph (i)(1) of the final rule. The ''Explanation of Relevant Service Information'' section of the proposed AD does not reappear in the final rule. Operators should note that Boeing MD–11 CMR, Report Number MDC–K4174, Revision P, dated April 5, 1999, which is referenced in this AD as an appropriate source of service information for accomplishing the various inspections and checks required by this AD, does reference Chapter 71 of McDonnell Douglas MD–11 AMM as an additional source of service information for accomplishing those specific actions.

Request to Exclude Certain Part Numbers (P/N)

One commenter requests that the phrase ''or subsequent'' be inserted after ''part number 1519M91P06'' in the applicability of paragraph (e) of the proposed AD. The FAA does not agree. The phrase ''or subsequent'' will exclude affected Model MD–11 airplanes on which future electronic control units (ECU) in production would be installed from being subject to the requirements of paragraph (e) of this AD. Since the issuance of the NPRM, we have approved the following ECU P/N's, which, if any one of them (including P/N 1519M91P06) is installed on an affected Model MD–11 airplane, would exclude that airplane from being subject to the requirements of paragraph (e) of this AD:

- 1519M91P07
- 1519M91P09
- 1820M34P01
- 1820M34P02
- 1820M34P04

Operators should note that the revision level and date on the above P/N's do not matter with regard to the applicability of paragraph (e) of this AD. Therefore, we have revised the applicability of paragraph (e) of this AD to exclude certain affected Model MD–11 airplanes equipped with the ECU's listed above installed. Operators of affected Model MD–11 airplanes equipped with a future ECU in production (approved after the publication of the AD) may request an alternative method of compliance with this AD under the provisions of paragraph (j) of the final rule.

Request to Include An Optional Terminating Action

One commenter requests that the proposed AD be revised to include an optional terminating action for the repetitive detailed visual inspection and functional checks to detect failed open pressure switches on the hydraulic control unit required by paragraph (h) of the proposed AD. The commenter states that the procedures identified in Boeing MD–11 CMR, Report Number MDC–K4174, Revision P, dated April 5, 1999; McDonnell Douglas Service Bulletin MD11–31–085, Revision 01, dated April 9, 1998; and McDonnell Douglas Service Bulletin MD11–78–007, dated January 31, 2000; eliminate the need for the repetitive inspections and functional

checks of the pressure switch and wiring of the hydraulic control unit.

The FAA does not agree. No technical justification, criteria, or data were submitted to support the commenter's request. At this time, the FAA cannot determine whether the commenter's request is applicable. However, the FAA may approve requests for an alternative method of compliance under the provisions of paragraph (j) of this AD if sufficient data are submitted to substantiate that such a design change would provide an acceptable level of safety.

Request to Revise Descriptive Language

One commenter notes that a sentence under the heading ''Explanation of Relevant Service Information'' reads ''These procedures also include inspections to detect failed open pressure switches on the hydraulic control unit, failed stow position microswitches, or failed locking mechanisms.'' The commenter also notes that paragraph (h) of the proposed AD reads ''* * * to detect failed stow position microswitches.'' The commenter requests that the phrase ''and their associated wiring'' be inserted after the word ''microswitches'' in both places in the proposed AD.

The FAA agrees that the commenter's suggestion is a more accurate description of the inspection area. We have revised paragraph (h) of the final rule accordingly. The ''Explanation of Relevant Service Information'' section of the proposed AD does not reappear in the final rule.

Request to Mandate Reporting

One commenter requests that the proposed AD require operators to submit to Boeing the inspection record (i.e., Attachment A) in McDonnell Douglas Alert Service Bulletin DC10–78A056, Revision 02, dated February 18, 1999, and McDonnell Douglas Alert Service Bulletin DC10–78A057, Revision 01, dated February 18, 1999, for the applicable initial inspections required by the proposed AD. Reports from subsequent inspections should be at an operator's discretion. The commenter states that the data obtained from the reports would enhance the reliability database for the DC–10 thrust reverser system.

The FAA does not agree. The FAA finds it appropriate to leave it to the operators' discretion to report inspection findings to Boeing. Since the suggested change would alter the actions currently required by this AD, additional rulemaking would be required. The FAA finds that to delay this action would be inappropriate in light of the identified unsafe condition. No change to this final rule is necessary.

Requests to Revise Cost Impact

One commenter notes that, under the heading ''Cost Impact,'' the proposed AD states that, for McDonnell Douglas Model DC–10–10, –15, –30, and –40 series airplanes and KC–10A (military) airplanes that are listed in McDonnell Douglas Alert Service Bulletin DC10–78A056, Revision 02, dated February 18, 1999, it would take approximately 5 work hours per airplane to accomplish the required actions related to this service bulletin. The commenter states that the proposed actions will take approximately 16 work hours per engine or 48 work hours per airplane. The commenter also states that maintenance access for the No. 2 engine on the subject airplanes requires specific stand access. Another commenter states that these proposed actions will take approximately 26 work hours per airplane to accomplish and five hours to do the actions specified in McDonnell Douglas Alert Service Bulletin DC10–78A056, Revision 02, and 21 work hours to do the actions specified in Middle River Aircraft Systems (MRAS) CF606 Service Bulletin S/B 78–2004, Revision 1, dated December 18, 1997, or MRAS CF6–50 Service Bulletin S/B 78–3001, Revision 2, dated December 18, 1997.

One commenter states that, for Model MD–11 airplanes equipped with General Electric (GE) or Pratt & Whitney (P&W) engines, the proposed actions will take approximately 10 work hours per airplane. Under the heading ''Cost Impact,'' the proposed AD indicates 6 work hours per airplane equipped with GE engines and 31 work hours per airplane equipped with P&W engines.

After considering the information presented by commenters, the FAA agrees that the subject work hours in the cost impact information, below, should be revised. We have revised the work hours in the final rule as suggested by the commenters. The economic analysis, however, is limited only to the cost of actions actually required by the rule. It does not consider the costs of ''on condition actions, e.g., repair, if necessary,'' since those actions would be required to be accomplished, regardless of AD direction, in order to correct an unsafe condition identified in an airplane and to ensure operation of that airplane in an airworthy condition, as required by the Federal Aviation Regulations.

One commenter states that, for Model DC–10–40 series airplanes that are listed in McDonnell Douglas Alert Service Bulletin DC10–78A057, Revision 01, dated February 18, 1999, the proposed actions will take 48 work hours per airplane, rather than the 31 work hours specified under the heading ''Cost Impact.''

The FAA does not agree. The cost impact information, below, describes only the ''direct'' costs of the specific actions required by this AD. The number of work hours necessary to accomplish the required actions, specified as 31 in the cost impact information, below, was provided by the manufacturer in McDonnell Douglas Alert Service Bulletin DC10–78A057, Revision 01, as the best data available to date. This number represents the time necessary to perform only the actions actually required by this AD. The FAA recognizes that, in accomplishing the requirements of any AD, operators may incur ''incidental'' costs in addition to the ''direct'' costs. The cost analysis in AD rulemaking actions, however, typically does not include incidental costs, such as the time required to gain access and close up; planning time; or time necessitated by other administrative actions. Because incidental costs may vary significantly from operator to operator, they are almost impossible to calculate.

One commenter notes that, under the heading ''Cost Impact,'' the proposed AD states that five McDonnell Model MD–11 airplanes equipped with P&W engines of U.S. registry would be affected by the proposed AD. The commenter states that it has 15 affected airplanes. Another commenter states that the number of McDonnell Douglas Model MD–11 airplanes equipped with GE engines of U.S. Registry that would be affected by the proposed AD is also incorrect; the correct number is approximately 81 (not including hull losses). From these comments, the FAA infers that the commenters are requesting that the number of airplanes be revised in the appropriate sentence under the heading ''Cost Impact.''

The FAA agrees with the commenters to update the number of affected airplanes. However, we have confirmed with operators that there are 110 Model MD–11 airplanes of the affected design in the worldwide fleet that are equipped with GE engines, of which, 85 are on the U.S. registry. There are 81 Model MD–11 airplanes of the affected design in the worldwide fleet that are equipped with P&W engines, of which, 29 are on the U.S. registry. Therefore, we have revised the final rule accordingly.

One commenter requests that, in the second paragraph under the heading ''Cost Impact'' and paragraph (b), ''–40'' be deleted in the first sentence. The commenter states that McDonnell Douglas Alert Service Bulletin DC10–

78A056, Revision 02, dated February 18, 1999 (which is referenced in that paragraph as the appropriate source of service information for determining the affected airplanes), is only applicable to those affected models equipped with GE engines. Model DC–10–40 series airplanes are powered by P&W engines. The FAA agrees and has revised the final rule accordingly.

Explanation of Changes Made to Proposed AD

For clarification purposes, the FAA has revised the reference to the Boeing MD–11 CMR to include its associated Report Number MDC–K4174. The proposed AD referenced the incorrect date of the original version of McDonnell Douglas Alert Service Bulletin DC10–78A056. We have revised the date of that service bulletin from January 1, 1998, to January 19, 1998, in the final rule. In addition, we have made some minor editorial changes to the body of the AD to incorporate the use of plain language.

Conclusion

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the changes previously described. The FAA has determined that these changes will neither increase the economic burden on any operator nor increase the scope of the AD.

Interim Action

For all Model DC–10 series airplanes, this is considered to be interim action. The manufacturer has advised that it currently is developing a modification that will positively address the unsafe condition addressed by this AD. Once this modification is developed, approved, and available, the FAA may consider additional rulemaking.

Cost Impact

There are approximately 259 Model DC–10–10, –30, and –40 series airplanes and KC–10A (military) airplanes of the affected design in the worldwide fleet that are listed in McDonnell Douglas DC–10 Service Bulletin 78–40, Revision 1, dated July 24, 1979. The FAA estimates that 135 airplanes of U.S. registry will be affected by this AD, that it will take approximately 10 work hours per airplane to accomplish the required actions related to this service bulletin, and that the average labor rate is $60 per work hour. The required parts will be obtained from the operator's stock. Based on these figures, the cost impact of this portion of the AD on U.S. operators is estimated to be $81,000, or $600 per airplane.

There are approximately 359 Model DC–10–10, –15, and –30 series airplanes and KC–10A (military) airplanes of the affected design in the worldwide fleet that are listed in McDonnell Douglas Alert Service Bulletin DC10–78A056, Revision 02, dated February 18, 1999. The FAA estimates that 187 airplanes of U.S. registry will be affected by this AD, that it will take approximately 26 work hours per airplane to accomplish the required actions related to this service bulletin, and that the average labor rate is $60 per work hour. Based on these figures, the cost impact of this portion of the AD on U.S. operators is estimated to be $291,720, or $1,560 per airplane, per inspection cycle.

There are approximately 41 Model DC–10–40 series airplanes of the affected design in the worldwide fleet that are listed in McDonnell Douglas Alert Service Bulletin DC10–78A057, Revision 01, dated February 18, 1999. The FAA estimates that 22 airplanes of U.S. registry will be affected by this AD, that it will take approximately 31 work hours per airplane to accomplish the required actions related to this service bulletin, and that the average labor rate is $60 per work hour. Based on these figures, the cost impact of this portion of the AD on U.S. operators is estimated to be $40,920, or $1,860 per airplane, per inspection cycle.

There are approximately 110 Model MD–11 airplanes of the affected design in the worldwide fleet that are equipped with GE engines. The FAA estimates that 85 airplanes of U.S. registry will be affected by this AD, that it will take approximately 10 work hours per airplane to accomplish the required actions, and that the average labor rate is $60 per work hour. Based on these figures, the cost impact of this portion of the AD on U.S. operators is estimated to be $51,000, or $600 per airplane, per inspection cycle.

There are approximately 81 Model MD–11 airplanes of the affected design in the worldwide fleet that are equipped with P&W engines. The FAA estimates that 29 airplanes of U.S. registry will be affected by this AD, that it will take approximately 10 work hours per airplane to accomplish the required actions, and that the average labor rate is $60 per work hour. Based on these figures, the cost impact of this portion of the AD on U.S. operators is estimated to be $17,400, or $600 per airplane, per inspection cycle.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted. The cost impact figures discussed in AD rulemaking actions represent only the time necessary to perform the specific actions actually required by the AD. These figures typically do not include incidental costs, such as the time required to gain access and close up, planning time, or time necessitated by other administrative actions.

Regulatory Impact

The regulations adopted herein will not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this final rule does not have federalism implications under Executive Order 13132.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

2001–05–10 McDonnell Douglas: Amendment 39–12147. Docket 99–NM–108–AD.

Applicability: All Model DC–10 series airplanes, MD–11 series airplanes, and KC–10A (military) airplanes; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (j) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent unwanted deployment of the thrust reverser, which could result in reduced controllability of the airplane, accomplish the following:

Modification of Certain Model DC–10 Series Airplanes

(a) For Model DC–10–10, –30, and –40 series airplanes listed in McDonnell Douglas DC–10 Service Bulletin 78–40, Revision 1, dated July 24, 1979: Within 3,000 flight hours or 12 months after the effective date of this AD, whichever occurs first, install a thrust reverser interlock (in-flight lockout) by installing two relays on the forward relay panel and revising the associated wiring, per the service bulletin. The requirements of this paragraph must be done before or with the requirements of paragraph (b) or (c) of this AD, as applicable.

Inspection of Model DC–10 Airplanes Powered by General Electric Engines

(b) For DC–10–10, –15, and –30 series airplanes listed in McDonnell Douglas Alert Service Bulletin DC10–78A056, Revision 02, dated February 18, 1999: Within 3,000 flight hours or 12 months after the effective date of this AD, whichever occurs first, do a detailed visual inspection, functional check, and torque checks of the thrust reverser system and the thrust reverser interlocks to detect discrepancies [i.e., below minimum torque required to overcome the pneumatic drive motor (PDM) disc brake; cuts, tears, or missing sections of the translating cowl seals; dents, cracks, holes, or loose fasteners on the Dagmar fairing or aft frame; improper alignment of the feedback rod; hidden faults in the translating cowl auto re-stow system; a failed over pressure shutoff valve (OPSOV); and improper operation of the fan reverser actuation system], per the service bulletin. Repeat the inspections thereafter every 6,000 flight hours or 18 months, whichever occurs first.

Note 2: For the purposes of this AD, a detailed visual inspection is defined as: ''An intensive visual examination of a specific structural area, system, installation, or assembly to detect damage, failure, or irregularity. Available lighting is normally supplemented with a direct source of good lighting at intensity deemed appropriate by the inspector. Inspection aids such as mirror, magnifying lenses, etc., may be used. Surface cleaning and elaborate access procedures may be required.''

Note 3: Inspection of the thrust reverser system accomplished before the effective date of this AD per McDonnell Douglas Alert Service Bulletin DC10–78A056, dated January 19, 1998, or Revision 01, dated June 4, 1998, is considered acceptable for compliance with the initial inspections required by paragraph (b) of this AD.

Note 4: McDonnell Douglas Alert Service Bulletin DC10–78A056, Revision 02, dated February 18, 1999, references Middle River Aircraft Systems (MRAS) Service Bulletin 78–3001, Revision 2, dated December 18, 1997, and MRAS Service Bulletin 78–2004, Revision 1, dated December 18, 1997, as additional sources of service information for accomplishment of the inspections and corrective actions.

Inspection of Model DC–10–40 Series Airplanes Powered by Pratt & Whitney Engines

(c) For Model DC–10–40 series airplanes listed in McDonnell Douglas Alert Service Bulletin DC10–78A057, Revision 01, dated February 18, 1999: Within 3,000 flight hours or 12 months after the effective date of this AD, whichever occurs first, do a detailed visual inspection, functional check, and torque checks of the thrust reverser system to detect discrepancies [i.e. damaged or improperly functioning stow latch hooks; cuts, gouges, and holes in the pneumatic seal/bullnose seal; improper functioning of the pneumatic drive unit (PDU) position locking retention feature; improper installation or improper operation of the system wiring, switches, or indicator lights; damage to the fan reverser flexshafts, actuators, translating sleeve tracks, or sliders; improper function of the in-flight interlock system; and improper operation of the thrust reverser power source, translating sleeve, throttle interlocks, or cockpit indicators], per the service bulletin. Repeat the inspections thereafter every 6,000 flight hours or 18 months, whichever occurs first.

Note 5: Inspection of the thrust reverser system per McDonnell Douglas Alert Service Bulletin DC10–78A057, dated November 30, 1998, accomplished before the effective date of this AD, is considered acceptable for initial compliance with the applicable action specified in paragraph (c) of this AD.

Inspection of Model MD–11 Series Airplanes Powered by General Electric Engines

(d) For Model MD–11 series airplanes equipped with General Electric engines: Do a detailed visual inspection and functional check of the two position microswitches on the Center Drive Unit (CDU) and their associated wiring to detect failed open switches or open wire runs, and the aerodynamic seal between the reverser translating sleeves and the main reverser structure to detect damage to the aerodynamic seal or its interface surface on the reverser structure; and do an inspection to determine the torque value of the cone brake within the CDU to detect slipping or a failed CDU brake. These inspections and the functional check shall be done per pages 17 and 18 of the Boeing MD–11 Certification Maintenance Requirements (CMR), Report Number MDC–K4174, Revision P, dated April 5, 1999, or Revision Q, dated December 22, 1999; at the times specified in paragraph (d)(1) or (d)(2) of this AD, as applicable.

(1) For airplanes on which the modification (i.e., translating cowl double P-seal configuration) specified in MRAS CF6–80C2D1F Alert Service Bulletin 78A1005, dated March 29, 1995; Revision 1, dated June 6, 1996; Revision 2, dated October 18, 1996; Revision 3, dated August 18, 1997; or Revision 4, dated December 21, 1998; has been accomplished: Inspect within 7,000 flight hours after the effective date of this AD. Repeat the inspections thereafter every 7,000 flight hours.

(2) For airplanes on which the modification (i.e., translating cowl double P-seal configuration) specified in MRAS Service Bulletin 78A1005, dated March 29, 1995; Revision 1, dated June 6, 1996; Revision 2, dated October 18, 1996; Revision 3, dated August 18, 1997; or Revision 4, dated December 21, 1998; has not been accomplished: Inspect within 2,000 flight hours after the effective date of this AD. Repeat the inspections thereafter every 2,000 flight hours.

Note 6: The type certificate for these airplanes includes a CMR to perform this same inspection at intervals not to exceed 17,000 flight hours. This CMR is still in effect and must be complied with. If the CMR requires an inspection before the compliance time stated in paragraph (d)(1) or (d)(2) of the AD, as applicable, operators may take credit for doing the CMR, and then repeat the inspection at the intervals specified in that applicable paragraph.

(e) For Model MD–11 series airplanes equipped with General Electric engines, without an electronic control unit (ECU) listed in Table 1 installed: Within 2,000 flight hours after the effective date of this AD, test the thrust reverser pressurization system to detect an uncommanded pressurized thrust reverser system and/or a failed thrust reverser pressure switch, as applicable, per pages 52 and 53 of the Boeing MD–11 CMR, Report Number MDC–K4174, Revision P, dated April 5, 1999. Repeat the inspections thereafter every 2,000 flight hours. Table 1 is as follows:

TABLE 1

ECU P/N
1519M91P06
1519M91P07
1519M91P09
1820M34P01
1820M34P02
1820M34P04

(f) For Model MD–11 series airplanes equipped with General Electric engines: Within 7,000 flight hours after the effective date of this AD, inspect the thrust reverser in-flight lockout system (IFLS) to detect failure

of the flight control computer (FCC), radio altimeter input to the FCC, main landing gear wheel speed input to the FCC, ground sensing system, or wiring that causes an on-ground status in the IFLS while the airplane is airborne, per page 54 of the Boeing MD–11 CMR, Report Number MDC–K4174, Revision P, dated April 5, 1999. Repeat the inspections thereafter every 7,000 flight hours.

(g) For Model MD–11 series airplanes equipped with General Electric engines: Within 600 flight hours after the effective date of this AD, accomplish the actions specified in paragraph (g)(1), (g)(2), or (g)(3) of this AD per MRAS CF6–80C2D1F Alert Service Bulletin 78A1082, dated August 25, 1999.

(1) Perform a pressure differential inspection of the directional pilot valves (DPV) to detect a partially open solenoid or failed O-ring. If any partially open solenoid or failed O-ring is detected, before further flight, replace the discrepant DPV with a DPV that has been inspected per this paragraph. Repeat the inspection thereafter every 2,000 flight hours. Or

(2) Replace the DPV with a DPV that has been inspected per paragraph (g)(1) of this AD. Repeat the replacement thereafter every 2,000 flight hours. Or

(3) Deactivate the thrust reverser per the MD–11 Master Minimum Equipment List, and reactivate the thrust reverser only after accomplishing the actions specified in paragraph (g)(1) or (g)(2) of this AD.

Inspection of Model MD–11 Series Airplanes Powered by Pratt & Whitney Engines

(h) For MD–11 series airplanes equipped with Pratt & Whitney engines: Within 7,000 flight hours after the effective date of this AD, do a detailed visual inspection and functional checks, as applicable, of the thrust reverser system and the thrust reverser IFLS to detect failed open pressure switches on the hydraulic control unit, to detect failed stow position microswitches and associated wiring, or failed locking mechanisms; and failure of the FCC, radio altimeter input to the FCC, main landing gear wheel speed input to the FCC, ground sensing system, or wiring that causes an on-ground status in the IFLS while the aircraft is airborne, per pages 19, 20, and 54 of the Boeing MD–11 CMR, Report Number MDC–K4174, Revision P, dated April 5, 1999. Repeat the inspections thereafter every 7,000 flight hours.

Note 7: The type certificate for these airplanes includes a CMR to perform this same inspection at intervals not to exceed 13,800 flight hours. This CMR is still in effect and must be complied with. If the CMR requires an inspection before the compliance time stated in paragraph (h) of the AD, operators may take credit for doing the CMR, and then repeat the inspection at the intervals specified in that paragraph.

Corrective Actions

(i) If any discrepancy is detected during any inspection required by this AD, before further flight, do the actions specified in either paragraph (i)(1) or (i)(2) of this AD.

(1) Do the applicable corrective action per the following service documents:

(i) Chapter 78 of McDonnell Douglas DC–10 Aircraft Maintenance Manual;

(ii) Chapter 78 of McDonnell Douglas DC–10 Turn Around Fault Isolation Manual; Chapter 78 of General Electric Shop Manual;

(iii) MRAS CF6–6 Service Bulletin 78–2004, Revision 1, dated December 18, 1997;

(iv) MRAS CF6–50 Service Bulletin 78–3001 Revision 2, dated December 18, 1997;

(v) McDonnell Douglas Alert Service Bulletin DC10–78A056, dated January 19, 1998, Revision 01, dated June 4, 1998, or Revision 02, dated February 18, 1999;

(vi) McDonnell Douglas Alert Service Bulletin DC10–78A057, dated November 30, 1998, or Revision 01, dated February 18, 1999;

(vii) Chapter 78 of McDonnell Douglas MD–11 Aircraft Maintenance Manual;

(viii) Chapter 78 of McDonnell Douglas MD–11 Fault Isolation Manual; or

(ix) A method approved by the Manager, Los Angeles Aircraft Certification Office (ACO), FAA.

(2) Deactivate the thrust reverser in accordance with the DC–10 Master Minimum Equipment List or the MD–11 Master Minimum Equipment List, as applicable.

Alternative Methods of Compliance

(j) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Los Angeles ACO, FAA. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles ACO.

Note 8: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

Special Flight Permits

(k) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Incorporation by Reference

(l) Except as provided by paragraphs (i)(1) and (i)(2) of this AD, the actions shall be done per the applicable service bulletins identified in Table 2, which contain the specified list of effective pages. Table 2 is as follows:

TABLE 2

Document and date	Page numbers	Revision level shown on page	Date shown on page
McDonnell Douglas DC–10 Service Bulletin 78–40, Revision 1, July 24, 1979.	1–20	1	July 24, 1979.
McDonnell Douglas Alert Service Bulletin DC10–78A056, Revision 02, February 18, 1999.	1–15	02	February 18, 1999.
Attachment A	1–4	02	February 18, 1999.
McDonnell Douglas Alert Service Bulletin DC10–78A057, Revision 01, February 18, 1999.	1–42	01	February 18, 1999.
Attachment A	1–4	01	February 18, 1999.
Boeing MD–11 Certification Maintenance Requirements, Report Number MDC–K4174, Revision P, April 5, 1999.	List of Effective Pages Pages LIST–1 through LIST–2.	P (Only indicated on the cover page; no other page contains this information).	April 5, 1999 (Only indicated on the cover page; no other page of the document is dated).
Boeing MD–11 Certification Maintenance Requirements, Report Number MDC–K4174, Revision Q, December 22, 1999.	List of Effective Pages Pages LIST–1 through LIST–2.	Q (Only indicated on the cover page; no other page contains this information).	December 22, 1999 (Only indicated on the cover page; no other page of the document is dated).
Middle River Aircraft Systems CF6–80C2D1F Alert Service Bulletin 78A1082, August 25, 1999.	1–15	Original	August 25, 1999.

TABLE 2—Continued

Document and date	Page numbers	Revision level shown on page	Date shown on page
Middle River Aircraft Systems CF6–6 Service Bulletin 78–2004, Revision 1, December 18, 1997.	1–36	1	December 18, 1997.
Middle River Aircraft Systems CF6–50 Service Bulletin 78–3001, Revision 2, December 18, 1997.	1–43	2	December 18, 1997.
McDonnell Douglas Alert Service Bulletin DC10–78A056, January 19, 1998.	1–15	Original	January 19, 1998.
Attachment A	1–4	Original	December 17, 1997.
McDonnell Douglas Alert Service Bulletin DC10–78A056, Revision 01, June 4, 1998.	1–15	01	June 4, 1998.
McDonnell Douglas Alert Service Bulletin DC10–78A057, November 30, 1998.	1–41	Original	November 30, 1998.
Attachment A	1–4	Original	November 30, 1998.
McDonnell Douglas Alert Service Bulletin DC10–78A057, Revision 01, February 18, 1999.	1–42	01	February 18, 1999.
Attachment A	1–4	01	February 18, 1999.

This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Boeing Commercial Aircraft Group, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Technical Publications Business Administration, Dept. C1–L51 (2–60). Copies may be inspected at the FAA, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

Effective Date

(m) This amendment becomes effective on April 25, 2001.

Issued in Renton, Washington, on March 7, 2001.

Vi L. Lipski,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 01–6282 Filed 3–20–01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 200

[Release No. 34–44079]

Delegation of Authority to the Director of the Division of Market Regulation

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: The Securities and Exchange Commission is amending its rules to delegate authority to the Director of the Division of Market Regulation to grant exemptions from the provisions of the Quote Rule regarding transactions in listed options and the Trade-Through Disclosure Rule (Rules 11Ac1–1 and 11Ac1–7 under the Securities Exchange Act of 1934, respectively). This delegation of authority will facilitate the timely implementation of the Trade-Through Disclosure Rule and amendments to the Quote Rule.

EFFECTIVE DATE: March 21, 2001.

FOR FURTHER INFORMATION CONTACT: John Roeser, Attorney, at (202) 942–0762, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–1001.

SUPPLEMENTARY INFORMATION: The Securities and Exchange Commission (''Commission'') has adopted an amendment to Rule 30–3 of its Rules of Organization and Program Management governing Delegations of Authority to the Director of the Division of Market Regulation (''Director'').[1] The amendment revises paragraph (a)(28) of Rule 30–3 to conform this paragraph to recent amendments to Rule 11Ac1–1 to clarify that the Director continues to have authority to grant exemptions from the provisions of Rule 11Ac1–1.[2] In addition, the amendment adds new paragraph (a)(71) to Rule 30–3 to authorize the Director to grant exemptions from the provisions of Rule 11Ac1–7.[3]

Generally, Rule 11Ac1–1 requires exchanges and broker-dealers to publish firm quotes. Rule 11Ac1–1(e) provides that the Commission may exempt from the provisions of this rule, either unconditionally or on specified terms and conditions, any responsible broker or dealer, electronic communications network, exchange, or association if the Commission determines that such exemption is consistent with the public interest, the protection of investors and the removal of impediments to and perfection of the mechanism of a national market system.

Rule 30–3(a)(28) currently authorizes the Director to grant exemptions from the provisions of Rule 11Ac1–1, pursuant to paragraph (d) of Rule 11Ac1–1. The Commission, however, recently amended Rule 11Ac1–1 to include transactions in listed options and, as a result, former paragraph (d) of Rule 11Ac1–1 was redesignated as paragraph (e).[4] To clarify that Rule 30–3(a)(28) authorizes the Director to grant exemptions from Rule 11Ac1–1 including with regard to transactions in listed options, the Commission is now revising Rule 30–3(a)(28) to reference paragraph (e), rather than paragraph (d), of Rule 11Ac1–1.

Rule 11Ac1–7 requires a broker to disclose to its customer when the customer's order for listed options is executed at a price inferior to a better published quote on another market, unless the broker effects the transaction on an exchange that participates in an

[1] 17 CFR 200.30–3.

[2] 17 CFR 240.11Ac1–1.

[3] 17 CFR 240.11Ac1–7.

[4] *See* Securities Exchange Act Release No. 43591 (November 17, 2000), 65 FR 75439 (December 1, 2000).