below the five pound minimum'' specified in Standard No. 122. If on-set of braking is delayed until the five pound minimum is reached, a feeling results that the brakes come on suddenly or unpredictably. Honda considers that motorcycle brake systems have continued to evolve and improve since Standard No. 122 was adopted in 1972, and that one area of improvement is brake lever force which has gradually been reduced. However, the five-pound minimum specification ''is preventing further development and improvement'' of brake system characteristics. Honda reports that many who try the system ''feel that they have more control with independent front and rear brake systems,'' and that ''The European version setting has shown greater consumer acceptance.''

The CBR1100XX is equipped with Honda's Linked Brake System (LBS) which is designed to engage both front and rear brakes when either the front brake lever or the rear brake pedal is used. The LBS differs from other integrated systems in that it allows the rider to choose which wheel gets the majority of braking force, depending on which brake control the rider uses.

According to Honda, the overall braking performance remains unchanged from a conforming motorcycle and from Honda cycles previously exempted. If the CBR1100XX is exempted it will meet ''the stopping distance requirement but at lever forces slightly below the minimum.''

While Honda's application did not cite applicable sections of Standard No. 122, its previous applications asked for relief from the first sentence of S6.10 *Brake application forces*, which reads:

> Except for the requirements of the fifth recovery stop in S5.4.3 and S5.7.2 (S7.6.3 and S7.10.2) the hand lever force is not less than five and not more than 55 pounds and the foot pedal force is not less than 10 and not more than 90 pounds.

However, NHTSA determined that Honda required relief from different provisions of Standard No. 122, although S6.10 related to them. Paragraph S6 only sets forth the test conditions under which a motorcycle must meet the performance requirements of S5. A motorcycle manufacturer certifies compliance with the performance requirements of S5 on the basis of tests conducted according to the conditions of S6 and in the manner specified by S7. In short, NHTSA provided relief from the performance requirements of S5 that are based upon the lever actuation force test conditions of S6.10 as used in the test procedures of S7.

These relate to the baseline checks under which performance is judged for the service brake system fade and fade recovery tests (S5.4), and for the water recovery tests (S5.7). According to the test procedures of S7, the baseline check stops for fade (S7.6.1) and water recovery (S7.10.1) are to be made at 10 to 11 feet per second per second (fpsps) per stop. The fade recovery test (S7.6.3) also specifies stops at 10 to 11 fpsps. Test data submitted by Honda with its 1997 application, and which it has incorporated by reference in its 2000 application, show that, using a hand lever force of 2.3 kg (5.1 pounds), the deceleration for these stops is 3.05 to 3.35 meters per second per second, or 10.0 to 11.0 fpsps. This does not mean that Honda cannot comply under the strict parameters of the standard, but the system is designed for responsive performance when a hand lever force of less than five pounds is used. For these reasons, NHTSA interprets Honda's application as requesting relief from S5.4.2, S5.4.3, and S5.7.2.

Honda argues that granting an exemption would be in the public interest and consistent with objectives of traffic safety because it

> * * * should improve a rider's ability to precisely modulate the brake force at low-level brake lever input forces.
>
> Improving the predictability, even at very low-level brake lever input, increases the rider's confidence in the motorcycle's brake system. We feel that improvements in braking, even those of an incremental nature, are in the public's interest and consistent with the objectives of the National Traffic and Motor Vehicle Safety Act.

Interested persons are invited to submit comments on the application described above. Comments should refer to the docket number and the notice number, and be submitted to: Docket Management, Room PL–401, s40 Seventh Street, SW., Washington, DC 20590. It is requested but not required that 10 copies be submitted.

All comments received before the close of business on the comment closing date indicated below will be considered, and will be available for examination in the docket at the above address both before and after that date. To the extent possible, comments filed after the closing date will also be considered. Notice of final action on the application will be published in the **Federal Register** pursuant to the authority indicated below. Comment closing date: November 24, 2000.

Authority: 49 U.S.C. 30113; delegations of authority at 49 CFR 1.50. and 501.8.

Issued on October 12, 2000.

Stephen R. Kratzke,

Associate Administrator for Safety Performance Standards.

[FR Doc. 00–26817 Filed 10–24–00; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA–2000–8133]

Panoz Auto Development Company; Application for Temporary Exemption From Federal Motor Vehicle Safety Standard No. 208

Panoz Auto Development Company of Hoschton, Georgia, has applied for a temporary exemption from paragraph S4.1.4 of Federal Motor Vehicle Safety Standard No. 208 *Occupant Crash Protection.* The basis of the application is that compliance will cause substantial economic hardship to a manufacturer that has tried to comply with the standard in good faith.

This notice of receipt of an application for renewal is published in accordance with the requirements of 49 U.S.C. 30113(b)(2) and does not represent any judgment of the agency on the merits of the application.

Panoz received NHTSA Exemption No. 93–5 from S4.1.4 of Standard No. 208, an exemption for two years which was initially scheduled to expire August 1, 1995 (58 FR 43007). It applied for, and received, two two-year renewals of this exemption (61 FR 2866; 63 FR 16856), the last of which expired March 1, 2000. Panoz now seeks a new exemption from S4.1.4 on hardship grounds, that would expire March 31, 2003. This exemption would apply to the Roadster but not to the company's other product, Esperante, which has been designed during the term of the last exemption to comply with S4.1.4.

Panoz's original exemption was granted pursuant to the representation that its Roadster would be equipped with a Ford-supplied driver and passenger airbag system, and would comply with Standard No. 208 by April 5, 1995, after estimated expenditures of $472,000. As of the time of its application, April 1993, the company had expended 750 man hours and $15,000 on the project.

According to its 1995 application for renewal,

> Panoz has continued the process of researching and developing the installation of a driver and passenger side airbag system on the Roadster since the original exemption petition was submitted to NHTSA on

April 5, 1993. To date, an estimated 1680 man-hours and approximately $50,400 have been spent on this project.

At that time, Panoz used a 5.0L Ford Mustang GT engine and five speed manual transmission in its car. Because ''the 1995 model year and associated emission components were revised by Ford,'' this caused

a delay in the implementation of the airbag system on the Roadster due to further research and development time requirements and expenditure of additional monies to evaluate the effects of these changes on the airbag adaptation program.

Shortly before filing its application for first renewal in 1995, Panoz learned that Ford was replacing the 5.0L engine and emission control system on the 1996 Mustang and other passenger cars with a modular 4.6L engine and associated emission components. The 1995 system did not meet 1996 On-Board Diagnostic emission control requirements, and Panoz was faced with using the 1996 engine and emission control system as a substitute. The majority of the money and man hours at that time had been spent on adapting an airbag system to the 5.0L engine car, and the applicant had to concentrate on adapting it to a 4.6L engine car. Panoz listed eight types of modifications and testing necessary for compliance that would cost it $337,000 if compliance were required at the end of a one-year period. It asked for and received a two-year renewal of its exemption.

However, between 1995 and 1997, Panoz found integration of the 4.6L engine into its existing chassis more difficult than anticipated, primarily because the 4.6L was 10 inches wider than the engine it replaced. This required a total redesign of the chassis, requiring expenditure of ''a significant amount of resources.'' Simultaneously, Panoz designed the vehicle to allow for the integration of the Ford Mustang driver-side and passenger-side airbag systems. Panoz described these steps in some detail and estimates that between May 1995 and August 1997 it spent 2200 man-hours and $66,000 on these efforts. In the same time period, it spent $47,000 in static and dynamic crash testing of a 4.6L car related to airbag system development. Panoz concluded by describing the additional modifications and testing required to adapt the Ford system to its car. These costs totaled $358,000. In 1997, the company argued that a two-year renewal of its exemption would provide time to generate sufficient income (approximately $15,000 a month through sales of vehicles and private funding) to fund the modifications and testing. After August 1997, Panoz spent an additional 1779 man hours and $87,375 in airbag development for the Roadster, a large portion of which was to adapt the 1997–98 Ford Mustang mechanical system. In September 1998, NHTSA issued its NPRM on advanced airbags which would have required Panoz to begin the phase-in of the new system as of September 1, 2002. Panoz decided that the mechanical airbag system it was developing could not comply with the proposed advanced system. It also lacked the resources to develop two systems simultaneously, so it turned its development efforts towards the advanced system, which will be in its new model, Esperante. In November 1999, NHTSA issued a Supplemental NPRM under which implementation of the advanced airbag rule would be delayed for small manufacturers until September 1, 2005 (subsequently adopted in the final rule of May 2000). This resulted in Panoz's resumption of efforts to adapt the Ford Mustang airbag system to its Roadster. However, with its 1999 models, Ford had replaced the mechanical airbag system with an electronic one, ''which dictated that Panoz would have to conduct further crash testing in order to properly calibrate the [Restraint Control Module] for application on the AIV Roadster.'' Panoz intends to have the electronic system adapted by the end of the exemption it has requested. The foregoing is a summary of Panoz's compliance efforts which are set forth in detail in its application.

In sum, Panoz has been exempted from compliance with the airbag requirements for all passenger cars that it manufactured between August 1, 1993, and March 1, 2000, approximately 6½ years. These total 178 units.

At the time of its original petition, Panoz's cumulative net losses since incorporation in 1989 were $1,265,176. It lost an additional $249,478 in 1993, $169,713 in 1994, $721,282 in 1995, and $1,349,241 in 1996. Its losses continued in 1997, 1998, and 1999, respectively $3,253,111, $4,264,689, and $2,996,903. Thus, Panoz's losses for the years that the exemption was in effect, 1993–99, total $13,004,417.

The applicant reiterated its original arguments that an exemption would be in the public interest and consistent with the objectives of traffic safety. Specifically, The Roadster is built in the United States and uses 100 percent U.S. components, bought from Ford and approximately 95 other companies (''at least 250 employees'' of which ''remain involved in the Panoz project''). Panoz provides employment for 47 full time and three part time employees. The company now has 33 U.S. dealers. The Roadster is said to provide the public with a classic alternative to current production vehicles. It is the only vehicle that incorporates ''molded aluminum body panels for the entire car,'' a process which continues to be evaluated by other manufacturers and which ''results in the reduction of overall vehicle weight, improved fuel efficiency, shortened tooling lead times, and increased body strength.'' With the exception of S4.1.4 of Standard No. 208, the Roadster meets all other Federal motor vehicle safety standards.

Interested persons are invited to submit comments on the application described above. Comments should refer to the docket number and the notice number, and be submitted to: Docket Management, Department of Transportation, room PL–401, 400 Seventh Street SW, Washington, DC 20590. It is requested but not required that 10 copies be submitted.

All comments received before the close of business on the comment closing date indicated below will be considered, and will be available for examination in the docket at the above address both before and after that date. To the extent possible, comments filed after the closing date will also be considered. Notice of final action on the application will be published in the **Federal Register** pursuant to the authority indicated below. Comment closing date: November 24, 2000.

Authority: (49 U.S.C. 30113; delegations of authority at 49 CFR 1.50. and 501.8).

Issued on October 19, 2000.

Stephen R. Kratzke,

Associate Administrator for Safety Performance Standards.

[FR Doc. 00–27316 Filed 10–24–00; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

Office of Hazardous Materials Safety; Notice of Applications for Modification of Exemption

AGENCY: Research and Special Programs Administration, DOT.

ACTION: List of applications for modification of exemptions.

SUMMARY: In accordance with the procedures governing the application for, and the processing of, exemptions from the Department of Transportation's Hazardous Materials Regulations (49 CFR part 107, subpart B), notice is hereby given that the Office of