

### Repetitive Detailed Visual and Physical Measurement Inspections

(d) After initial accomplishment of the inspections required by paragraph (c) of this AD, perform repetitive detailed visual inspections for bushing migration, corrosion, or cracking; and physical measurement inspections using feeler gages for bushing migration; of the lugs on the bulkhead fitting of the rear engine mount; per Boeing Alert Service Bulletin 747-54A2200, dated July 7, 2000, or Revision 1, dated February 15, 2001. Perform the inspections at the interval stated in paragraph (d)(1) or (d)(2) of this AD, except as provided by paragraph (f) of this AD. Accomplishment of repetitive inspections per this paragraph constitutes terminating action for the inspections required by paragraph (a) of this AD.

(1) If no bushing migration is found during any inspection per this AD, the repetitive interval is not to exceed 1,400 flight cycles or 18 months, whichever occurs first.

(2) If any bushing migration is found during any inspection per this AD, the repetitive interval is not to exceed 180 days, until paragraph (e) of this AD has been done.

### On-Condition Rework

(e) If any bushing migration is found during any inspection per this AD, within 30 months after finding the migrated bushing, or within 18 months after the effective date of this AD, whichever occurs later, do rework of the lugs on the bulkhead fitting of the rear engine mount (including a detailed visual inspection of the aft upper engine mount for damage; a Non-Destructive Testing inspection and repair of the aft upper engine mount, as applicable; and rework of the lugs, and installation of new bushings in the lug, on the bulkhead fitting of the rear engine mount) per Part 5 of Boeing Alert Service Bulletin 747-54A2200, Revision 1, dated February 15, 2001. Such rework resets the compliance threshold for the inspections per paragraphs (c) and (d) of this AD to 15 years or 10,000 flight cycles since rework, whichever is earlier.

### Optional Rework

(f) Rework of the lugs on the bulkhead fitting of the rear engine mount (including a detailed visual inspection of the aft upper engine mount for damage; a Non-Destructive Testing inspection and repair of the aft upper engine mount, as applicable; and rework of the lugs, and installation of new bushings in the lug, on the bulkhead fitting of the rear engine mount) per Part 5 of Boeing Alert Service Bulletin 747-54A2200, Revision 1, dated February 15, 2001, resets the compliance threshold for the inspections per paragraphs (c) and (d) of this AD to 15 years or 10,000 flight cycles since rework, whichever is earlier.

### Exception to Repair Requirement

(g) Where Boeing Alert Service Bulletin 747-54A2200, dated July 7, 2000, or Revision 1, dated February 15, 2001, says to contact Boeing for repair instructions: Before further flight, repair per a method approved by the Manager, Seattle ACO, or per data meeting the type certification basis of the airplane approved by a Boeing Company DER who has

been authorized by the Manager, Seattle ACO, to make such findings. For a repair method to be approved by the Manager, Seattle ACO, as required by this paragraph, the approval letter must specifically reference this AD.

### Alternative Methods of Compliance

(h)(1) 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, Seattle ACO. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Seattle ACO.

(2) Alternative methods of compliance, approved previously in accordance with AD 2000-18-01, Amendment 39-11886, are approved as alternative methods of compliance for corresponding actions in this AD.

**Note 3:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

### Special Flight Permits

(i) 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.

Issued in Renton, Washington, on March 14, 2001.

**Donald L. Riggins,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*  
[FR Doc. 01-6940 Filed 3-20-01; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 2000-NM-410-AD]

RIN 2120-AA64

#### **Airworthiness Directives; McDonnell Douglas Model DC-10-10, -15, -30, and -30F (KC-10A Military) Series Airplanes, and Model MD-10-10F and -30F Series Airplanes**

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes the superseding of an existing airworthiness directive (AD), applicable to certain McDonnell Douglas Model DC-10-10, -15, -30, and -30F (KC-10A military) series airplanes, and Model MD-10-10F and -30F series airplanes, that currently requires repetitive inspections to

determine the condition of the lockwires on the forward engine mount bolts and correction of any discrepancies found. That AD also provides for optional terminating actions for the repetitive inspections. This action would require accomplishment of the previously optional terminating actions. This proposal is prompted by a report of discrepant forward engine mount bolts at the number 3 engine. The actions specified by the proposed AD are intended to prevent broken lockwires, which could result in loosening of the engine mount bolts, and consequent separation of the engine from the airplane.

**DATES:** Comments must be received by May 7, 2001.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2000-NM-410-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9 a.m. and 3 p.m., Monday through Friday, except Federal holidays. Comments may be submitted via fax to (425) 227-1232. Comments may also be sent via the Internet using the following address: 9-anm-nprmcomment@faa.gov. Comments sent via fax or the Internet must contain "Docket No. 2000-NM-410-AD" in the subject line and need not be submitted in triplicate. Comments sent via the Internet as attached electronic files must be formatted in Microsoft Word 97 for Windows or ASCII text.

The service information referenced in the proposed rule 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 FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

**FOR FURTHER INFORMATION CONTACT:** Ron Atmur, Aerospace Engineer, Airframe Branch, ANM-120L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712-4137; telephone (562) 627-5224; fax (562) 627-5210.

### SUPPLEMENTARY INFORMATION:

#### Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall

identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this action may be changed in light of the comments received.

Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to change the compliance time and a request to change the service bulletin reference as two separate issues.
- For each issue, state what specific change to the proposed AD is being requested.
- Include justification (e.g., reasons or data) for each request.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this action must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 2000-NM-410-AD." The postcard will be date stamped and returned to the commenter.

#### Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2000-NM-410-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

#### Discussion

On September 29, 1999, the FAA issued AD 95-04-07 R2, amendment 39-11354 (64 FR 54202, October 6, 1999), applicable to certain McDonnell Douglas Model DC-10-10, -15, -30, and -30F (KC-10A military) series airplanes, and Model MD-10-10F and -30F series airplanes, to require inspections to determine the condition of the lockwires on the forward engine mount bolts and correction of any discrepancies found. That AD also provides for optional terminating actions for the repetitive inspections. That action was prompted by reports of stretched or broken lockwires on the forward engine mount bolts. The

requirements of that AD are intended to prevent broken lockwires, which could result in loosening of the engine mount bolts, and consequent separation of the engine from the airplane.

#### Actions Since Issuance of Previous Rule

Since the issuance of that AD, the FAA has received a report of discrepant forward engine mount bolts at the number 3 engine on a McDonnell Douglas Model DC-10-30F (KC-10A military) series airplane. Both forward engine mount bolts had broken safety wires and had backed out approximately 1/4 inch. This airplane had been only inspected per AD 95-04-07 R2.

The FAA has determined that repetitive inspections to determine the condition of the lockwires on the forward engine mount bolts, as required by AD 95-04-07 R2, do not adequately preclude broken lockwires, which could result in loosening of the engine mount bolts, and consequent separation of the engine from the airplane. However, we find that the optional terminating actions (i.e., installation of retainers on the engine mount bolts of engines 1, 2, or 3, or modification of the forward engine mount bolts for engine 1, 2, or 3; as applicable) specified in that AD do adequately address the identified unsafe condition.

#### Explanation of Relevant Service Information

The FAA has reviewed and approved McDonnell Douglas Service Bulletins DC10-71-159 [for Model DC-10-10, -15, -30, and -30F (KC-10A military) series airplanes, and Model MD-10-10F and -30F series airplanes], dated September 6, 1995, and Revision 01, dated July 28, 1997. This service bulletin describes procedures for modification of the forward engine mount bolts of engines 1, 2, and 3, which would eliminate the need for the repetitive inspections. This involves removal of the existing lockwires from the forward engine mount bolts, modification and reidentification of the anti-ice duct, and installation of retainers on the forward engine mount bolts.

The FAA also has reviewed and approved McDonnell Douglas DC-10 Service Bulletin 71-133, Revision 6, dated June 30, 1992 [for Model DC-10-30 and -30F (KC-10A military) series airplanes, and Model MD-10-30F series airplanes]. This service bulletin describes procedures for installation of retainers on the engine mount bolts of engines 1, 2, or 3, which would eliminate the need for the repetitive inspections.

Accomplishment of the actions specified in the applicable service bulletin is intended to adequately address the identified unsafe condition.

#### Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would supersede AD 95-04-07 R2 to continue to require repetitive visual inspections to determine the condition of the lockwires on the forward engine mount bolts and correction of any discrepancies found. The proposed AD also would require accomplishment of the action specified in the applicable service bulletin described previously, which would constitute terminating action for the repetitive inspection requirements.

#### Explanation of Change to the Applicability of the Existing AD

On May 9, 2000 (i.e., after issuance of AD 95-04-07 R2), the FAA issued a Type Certificate (TC) for McDonnell Douglas Model MD-10-10F and MD-10-30F series airplanes. Model MD-10 series airplanes are Model DC-10 series airplanes that have been modified with an Advanced cockpit. The lockwires on the forward engine mount bolts installed on Model MD-10-10F and MD-10-30F series airplanes (before or after the modifications necessary to meet the type design of a Model MD-10 series airplane) are identical to those on the affected Model DC-10-10, -15, -30, and -30F (KC-10 military) series airplanes. Therefore, all of these airplanes may be subject to the same unsafe condition. In addition, the manufacturer's fuselage number and factory serial number are not changed during the conversion from a Model DC-10 to Model MD-10. Although Model DC-10-10F and MD-10-30F series airplanes were not specifically identified by model in the applicability of AD 95-04-07 R2, they were affected by that AD. Therefore, the applicability of the proposed AD also includes Model MD-10-10F and MD-10-30F series airplanes.

#### Cost Impact

There are approximately 389 Model DC-10-10, -15, -30, and -30F (KC-10A military) series airplanes, and Model MD-10-10F and -30F series airplanes of the affected design in the worldwide fleet. The FAA estimates that 229 airplanes of U.S. registry would be affected by this proposed AD.

The actions that are currently required by AD 95-04-07 R2, and

retained in this proposed AD, take approximately 2 work hours per airplane to accomplish, at an average labor rate of \$60 per work hour. Based on these figures, the cost impact of the currently required actions on U.S. operators is estimated to be \$27,480, or \$120 per airplane, per inspection cycle.

Should an operator be required to accomplish the proposed terminating installation specified in McDonnell Douglas DC-10 Service Bulletin 71-133, it would take approximately 4 work hours per airplane to accomplish, at an average labor rate of \$60 per hour.

Required parts would cost between \$2,744 and \$2,822 per airplane. Based on these figures, the cost impact of the terminating installation proposed by this on U.S. operators is estimated to be between \$2,984 and \$3,062 per airplane.

Should an operator be required to accomplish the terminating modification specified in McDonnell Douglas Service Bulletin DC10-71-159, it would take approximately 16 work hours per airplane to accomplish this required action, at an average labor rate of \$60 per work hour. Required parts would cost between \$2,744 and \$2,822 per airplane. Based on these figures, the cost impact of the terminating modification proposed by this AD on U.S. operators is estimated to be between \$3,704 and \$3,782 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of

the current or proposed 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 proposed herein would 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 proposal would not have federalism implications under Executive Order 13132.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, 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 copy of the draft regulatory evaluation prepared for this

action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

#### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

#### The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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 removing amendment 39-11354 (64 FR 54202, October 6, 1999), and by adding a new airworthiness directive (AD), to read as follows:

**McDonnell Douglas:** Docket 2000-NM-410-AD. Supersedes AD 95-04-07 R2, Amendment 39-11354.

**Applicability:** The following airplanes, certificated in any category:

| Model                                                                                                                     | Excluding airplanes                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. DC-10-30 and -30F (KC-10A military) series airplanes, and MD-10-30F series airplanes.                                  | On which bolt retainers have been installed on the engine mount per McDonnell Douglas DC-10 Service Bulletin 71-133, Revision 6, dated June 30, 1992.               |
| 2. DC-10-10, 10-15, -10-30 and -10-30F (KC-10A military) series airplanes, and Model MD-10-10F and -30F series airplanes. | On which the modification specified in McDonnell Douglas Service Bulletin DC10-71-159, dated September 6, 1995, or Revision 01, dated July 28, 1997, has been done. |

**Note 1:** This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise 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 (d)(1) 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 broken lockwires, which could result in loosening of the engine mount bolts, and consequent separation of the engine from the airplane, accomplish the following:

#### Restatement of Requirements of AD 95-04-07 R2, Amendment 39-11354

(a) Within 120 days after March 17, 1995 (the effective date of AD 95-04-07 R1, amendment 39-9317), unless accomplished previously within the last 750 flight hours prior to March 17, 1995, perform a visual inspection to detect broken lockwires on the forward engine mount bolts on engines 1, 2, and 3, in accordance with McDonnell Douglas Alert Service Bulletin DC10-71A159, Revision 1, dated January 31, 1995.

(1) If no lockwire is found broken, repeat the inspection thereafter at intervals not to exceed 750 flight hours.

(2) If any lockwire is found broken, prior to further flight: Check the torque of the bolt, install a new lockwire, and install a torque stripe on the bolt, in accordance with the alert service bulletin. Thereafter at intervals not to exceed 750 flight hours, perform a visual inspection to detect misalignment of the torque stripes, and repeat the inspection to detect broken lockwires, in accordance with the alert service bulletin.

#### Terminating Actions

(b) For Model DC-10-30 and -30F (KC-10A military) series airplanes, and Model MD-10-30F series airplanes: Within 18 months after the effective date of this AD, install retainers on the engine mount bolts of engines 1, 2, or 3 per the procedures depicted in Figure 6 of Revision 6 of McDonnell Douglas DC-10 Service Bulletin 71-133, dated June 30, 1992. Accomplishment of the

installation constitutes terminating action for the requirements of this AD for that engine.

(c) For Model DC-10-10, -15, -30, and -30F (KC-10A military) series airplanes, and Model MD-10-10F and -30F series airplanes: Within 18 months after the effective date of this AD, modify the forward engine mount bolts for engine 1, 2, or 3, per McDonnell Douglas Service Bulletin DC10-71-159, dated September 6, 1995, or Revision 01, dated July 28, 1997. Accomplishment of the modification constitutes terminating action for the requirements of this AD for that engine.

#### Alternative Methods of Compliance

(d)(1) 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 Aircraft Certification Office (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 2:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

(2) Alternative methods of compliance, approved previously in accordance with AD 95-04-07 R2, amendment 39-11354, are approved as alternative methods of compliance with this AD.

#### Special Flight Permits

(e) 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.

Issued in Renton, Washington, on March 14, 2001.

**Donald L. Rigglin,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*  
[FR Doc. 01-6941 Filed 3-20-01; 8:45 am]

BILLING CODE 4910-13-P

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-126100-00]

RIN 1545-AY62

#### Guidance on Reporting of Deposit Interest Paid to Nonresident Aliens; Correction

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Correction to notice of proposed rulemaking and notice of public hearing.

**SUMMARY:** This document contains corrections to REG-126100-00, which

was published in the **Federal Register** on Wednesday, January 17, 2001 (66 FR 3925). These regulations provide guidance on the reporting requirements for interest on deposits maintained at the U.S. office of certain financial institutions and paid to nonresident alien individuals.

**FOR FURTHER INFORMATION CONTACT:** Kate Y. Hwa (202) 622-3840 (not a toll-free number).

#### SUPPLEMENTARY INFORMATION:

##### Background

The notice of proposed rulemaking and notice of public hearing that is the subject of these corrections is under section 6049 of the Internal Revenue Code.

##### Need for Correction

As published, REG-126100-00 contains errors which may prove to be misleading and are in need of clarification.

1. On page 3927, column 1, in the preamble, under the paragraph heading "Comments and Public Hearing", second paragraph, line 2, the language "for March 31, 2001, beginning at 10 a.m." is corrected to read "for March 21, 2001, beginning at 10 a.m.".

##### § 1.6049-4 [Corrected]

2. On page 3927, column 3, § 1.6049-4(b)(5)(ii), lines 5 through 8, the language "published in the **Federal Register** with respect to a Form W-8 (Certificate of Foreign Status) furnished to the payor or middleman after that date. (For interest" is corrected to read "published in the **Federal Register**. (For interest".

**Cynthia Grigsby,**

*Chief, Regulations Unit, Office of Special Counsel, (Modernization & Strategic Planning).*

[FR Doc. 01-6478 Filed 3-20-01; 8:45 am]

BILLING CODE 4830-01-P

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-104683-00]

RIN 1545-AX88

#### Application of Section 904 to Income Subject to Separate Limitations and Computation of Deemed-Paid Credit Under Section 902; Correction

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Corrections to notice of proposed rulemaking and notice of public hearing.

**SUMMARY:** This document contains corrections to a notice of proposed rulemaking and notice of public hearing that was published in the **Federal Register** on Wednesday, January 3, 2001 (66 FR 319), relating to the application of section 904 to income subject to separate limitations and computation of deemed-paid credit under section 902.

**FOR FURTHER INFORMATION CONTACT:** Bethany A. Ingwalson (202) 622-3850 (not a toll-free number).

#### SUPPLEMENTARY INFORMATION:

##### Background

The notice of proposed rulemaking and notice of public hearing that is the subject of these corrections is under sections 902 and 904 of the Internal Revenue Code.

##### Need for Correction

As published, the notice of proposed rulemaking and notice of public hearing (REG-104683-00), contains errors that may be misleading and are in need of clarification.

##### Correction of Publication

Accordingly, the publication of the notice of proposed rulemaking and notice of public hearing (REG-104683-00), which is the subject of FR Doc. 00-32478 is corrected as follows:

1. On page 319, column 2, in the preamble under the caption **ADDRESSES**, line 9, the language "(REG-106409-00), Courier's Desk," is corrected to read "(REG-104683-00), Courier's Desk,".

##### § 1.904(b)-1 [Corrected].

2. On page 331, column 3, § 1.904(b)-1(f), paragraph (i) of *Example 1.*, line 4 from the bottom of the paragraph, the language "would have been subject to tax at a rate of 20" is corrected to read "would have been subject to tax at a rate of 20".

**Cynthia E. Grigsby,**

*Chief, Regulations Unit, Office of Special Counsel (Modernization & Strategic Planning).*

[FR Doc. 01-6479 Filed 3-20-01; 8:45 am]

BILLING CODE 4830-01-P