

warehouse and the pounds of any undesignated or non-auction tobacco that, for the purpose of recommending opening dates and selling schedules in accordance with part 29 of this title, is available for apportioning for sale at each warehouse. That association also shall furnish each warehouse the name and address of the producers who designated the warehouse, the pounds each designated and the pounds that represent 103 percent of the marketing quota of each such producer. The Director, Tobacco and Peanuts Division, shall furnish each receiving station the name and address of the producers who designated the receiving station, the pounds each designated and the pounds that represent 103 percent of the marketing quota of each such producer.

\* \* \* \* \*

3. Revise § 1464.7(d) to read as follows:

**§ 1464.7 Eligible producer.**

\* \* \* \* \*

(d) In addition to meeting all other requirements that apply elsewhere, including (but not limited to) the warehouse designation provisions of § 1464.2, must not be ineligible, in accordance with part 1400 of this title, to receive price support payments, loans and benefits.

\* \* \* \* \*

4. Revise § 1464.10(i)(1)(i), (i)(2) and (i)(3)(i) to read as follows:

**§ 1464.10 No-net-cost tobacco fund or account.**

\* \* \* \* \*

(i) \* \* \*

(1) \* \* \*

(i) From any dealer, receiving station official or warehouse operator who acquired the tobacco involved from the producer; or

\* \* \* \* \*

(2) A dealer, receiving station official or warehouse operator may deduct the amount of any producer contribution or assessment from the price paid to the producer for such tobacco.

(3) \* \* \*

(i) From the dealer, receiving station official or warehouse operator who acquired the tobacco involved from the producer; or

\* \* \* \* \*

Signed at Washington, DC, on December 21, 2001.

**James R. Little,**

*Executive Vice President, Commodity Credit Corporation.*

[FR Doc. 02-185 Filed 1-3-02; 8:45 am]

**BILLING CODE 3410-05-P**

**DEPARTMENT OF AGRICULTURE**

**Rural Utilities Service**

**7 CFR Part 1721**

**RIN 0572-AB60**

**Extensions of Payments of Principal and Interest**

**AGENCY:** Rural Utilities Service, USDA.

**ACTION:** Final rule.

**SUMMARY:** The Rural Utilities Service (RUS) is adding procedures and conditions under which Borrowers may request extensions of the payment of principal and interest. These procedures and conditions are stated in RUS Bulletin 20-5:320-2, Extensions of Payments of Principal and Interest, dated May 10, 1972, and RUS Bulletin 20-23, Section 12 Extensions for Energy Resources Conservation Loans, dated December 8, 1980; however, these procedures and conditions were not codified in the Code of Federal Regulations. This regulation will set forth procedures and conditions under which Borrowers may request extensions of principal and interest. RUS will rescind upon the effective date of this regulation RUS Bulletin 20-5:320-2, and RUS Bulletin 20-23.

**DATES:** This rule will become effective on February 4, 2002.

**FOR FURTHER INFORMATION CONTACT:** Gail P. Salgado, Management Analyst, U.S. Department of Agriculture, Rural Utilities Service, Electric Program, Room 4023 South Building, Stop 1560, 1400 Independence Avenue, SW., Washington, DC 20250-1560. Telephone: 202-205-3660.

**SUPPLEMENTARY INFORMATION:**

**Executive Order 12866**

This rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget (OMB).

**Executive Order 12988**

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. RUS has determined that this rule meets the applicable standards provided in section 3 of the Executive Order. In addition, (1) all State and local laws and regulations that are in conflict with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) in accordance with section 212(e) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6912(e)) administrative appeals procedures, if any are required, must be

exhausted prior to initiating an action against the Department or its agencies.

**Regulatory Flexibility Act Certification**

The Administrator of RUS has determined that this rule will not have a significant economic impact on a substantial number of small entities, as defined in the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). The RUS electric program provides loans and loan guarantees to Borrowers at interest rates and on terms that are more favorable than those generally available from the private sector. RUS Borrowers, as a result of obtaining federal financing, receive economic benefits that exceed any direct economic costs associated with complying with RUS regulations and requirements.

**Information Collection and Recordkeeping Requirements**

The reporting and recordkeeping requirements contained in this rule have been approved by the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35) under OMB control number 0572-0123.

**Unfunded Mandates**

This rule contains no Federal mandates (under the regulatory provisions of title II of the Unfunded Mandates Reform Act) for State, local, and tribal governments or the private sector. Thus, this rule is not subject to the requirements of sections 202 and 205 of the Unfunded Mandates Reform Act.

**National Environmental Policy Act Certification**

The Administrator of RUS has determined that this rule will not significantly affect the quality of the human environment as defined by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*). Therefore, this action does not require an environmental impact statement or assessment.

**Catalog of Federal Domestic Assistance**

The program described by this rule is listed in the Catalog of Federal Domestic Assistance programs under number 10.850, Rural Electrification Loans and Loan Guarantees. This catalog is available on a subscription basis from the Superintendent of Documents, the United States Government Printing Office, Washington, DC 20402-9325, telephone number (202) 512-1800.

**Executive Order 12372**

This rule is excluded from the scope of Executive Order 12372,

Intergovernmental Consultation, which may require consultation with state and local officials. See the final rule related notice entitled "Department Programs and Activities Excluded from Executive Order 12372" (50 FR 47034) advising that RUS loans and loan guarantees are not covered by Executive Order 12372.

### Background

On January 9, 2001, at 66 FR 1604, the Rural Utilities Service (RUS) published a proposed rule, 7 CFR part 1721—Extensions of Payments of Principal and Interest, which proposed adding procedures and conditions under which Borrowers may request extensions of the payment of principal and interest. These procedures and conditions are stated in RUS Bulletin 20–5:320–2, Extensions of Payments of Principal and Interest, dated May 10, 1972, and RUS Bulletin 20–23, Section 12 Extensions for Energy Resources Conservation Loans, dated December 8, 1980; however, these procedures and conditions were not codified in the Code of Federal Regulations. This final rule will set forth procedures and conditions under which Borrowers may request extensions of principal and interest. RUS will rescind upon the effective date of this regulation RUS Bulletin 20–5:320–2, and RUS Bulletin 20–23.

Written comments on the proposed rule were received and they are summarized as follows:

RUS received comments dated March 8, 2001, from the National Rural Electric Cooperative Association (NRECA), Oregon Rural Electric Cooperative Association (ORECA), and Harney Electric Cooperative, Inc. (HEC). The three cooperatives suggested that the language in § 1721.104(a)(2) be revised to reflect that the factors for determining qualifications for deferment of RUS loan payments listed not be inclusive, but only examples of the kinds of factors RUS should consider. RUS agrees with this comment and has made the change to the final rule wording under § 1721.104(a)(2).

In addition, NRECA commented on:

*Section 1721.104(a)(2)(iv) Need to substantially upgrade a Borrower's system to bring it into compliance with the National Electric Safety Code (NESC).*

NRECA states it is unclear as to the appropriateness of this factor since it is inconsistent with other RUS practices. Current RUS practices require annual certifications and assurances at loan application that systems are being properly maintained. RUS is in agreement with NRECA's comment. RUS requires and borrowers conform to

annual certifications and assurances that systems are being properly operated and maintained, and these assurances include conformance to NESC provisions. RUS has removed § 1721.104(a)(2) from this final rule.

*Section 1721.104(b) Deferments for energy resource conservation (ERC) loans.*

NRECA states it is unclear to what extent this proposal is significantly different from the existing RUS Bulletin 20–23, dated December 8, 1980, which is being amended and codified through this regulation. As codified, the terms for ERC deferments contain fewer restrictions and limitations on the terms for the corresponding ERC loans between the Borrower and its members. Generally speaking, the terms of such loans will now be left to the discretion of the Borrower's management. RUS Bulletin 20–23, section 12, Extensions for Energy Resource Conservation Loans, dated December 8, 1980, will be rescinded upon publication of this final rule.

*Section 1721.104(d)(2) Deferments for contributions-in-aid of construction.*

NRECA states that it is unclear whether the calculation methodology of construction costs would be made without regard to contribution-in-aid of construction (CIAC). Should construction costs be calculated net of CIAC, a Borrower's line extension policy would have a significant impact on the eligible amount available for deferments. RUS agrees and the final rule wording has been changed to clarify the calculation methodology.

Other—Deferments for distributed generation projects. NRECA recommends RUS consider allowing a Borrower to defer principal payments to finance properly coordinated distributed generation projects. RUS has taken this comment under advisement and will consider whether to publish a proposed rule which would include deferments for certain distributed generation projects.

Additionally, under § 1721.103(d) RUS is clarifying that the maturity date of any such loan does not extend to a date beyond forty (40) years from the date of the note (not the date of the loan as indicated in the proposed rule).

### List of Subjects in 7 CFR Part 1721

Electric power, Loan programs—energy, Rural areas.

For the reasons set forth in the preamble, RUS amends 7 CFR chapter XVII, part 1721 as follows:

### PART 1721—POST LOAN POLICIES AND PROCEDURES FOR INSURED ELECTRIC LOANS

1. The authority citation for part 1721 continues to read:

**Authority:** 7 U.S.C. 901 *et seq.*, 1921 *et seq.*, and 6941 *et seq.*

2. Add subpart B to read as follows:

#### Subpart B—Extensions of Payments of Principal and Interest

Sec.

1721.100	Purpose.
1721.101	General.
1721.102	Definitions.
1721.103	Policy.
1721.104	Eligible purposes.
1721.105	Application documents.
1721.106	Repayment of deferred payments.
1721.107	Agreement.
1721.108	Commencement of the deferment.
1721.109	OMB Control Number.

#### Subpart B—Extensions of Payments of Principal and Interest

##### § 1721.100 Purpose.

This subpart contains RUS procedures and conditions under which Borrowers of loans made by RUS may request RUS approval for extensions for the payment of principal and interest.

##### § 1721.101 General.

(a) The procedures in this subpart are intended to provide Borrowers with the flexibility to request an extension of principal and interest as authorized under section 12(a) of the RE Act and section 236 of the Disaster Relief Act of 1970 (Public Law 91–606).

(b) The total amount of principal and interest that has been deferred, including interest on deferred principal, will be added to the principal balance, and the total amount of principal and interest that has been deferred will be reamortized, through level payment, over the remaining life of the applicable note beginning in the first year the deferral period ends.

(c) Payment of principal and interest will not be extended more than 5 years after such payment is due as originally scheduled. However, in cases where the extension is being granted because, at the sole discretion of the Administrator, a severe hardship has been experienced, the Administrator may grant a longer extension provided that the maturity date of any such loan does not extend to a date beyond forty (40) years from the date of the note.

##### § 1721.102 Definitions.

The definitions contained in 7 CFR 1710.2 are applicable to this subpart unless otherwise stated.

**§ 1721.103 Policy.**

(a) In reviewing requests for extension of payment of principal and interest, consideration shall be given to the effect of such extensions on the security of the Government's loans, and on the ability of the Borrower to achieve program objectives. It is the policy of RUS to extend the time for payment of principal and interest on the basis of findings that such extension does not impair the security and feasibility of the Government's loans and:

(1) Is essential to the effectiveness of the Borrower's operations in achieving RUS program objectives which include providing reliable, affordable electricity to RE Act beneficiaries;

(2) Is necessary to help a Borrower place its operations on a more stable financial basis and thereby provide assurance of repayment of loans within the time when payments of such loans are due under the terms of the note or notes as extended; or

(3) Is otherwise in the best interest of the Government.

(b) Extensions will be given in the minimum amount to achieve the purpose of the extension.

**§ 1721.104 Eligible purposes.**

(a) *Deferments for financial hardship.*

(1) In cases of financial hardship, a Borrower may request that RUS defer principal or interest or both. RUS will consider whether the deferral will help a Borrower place its operations on a more stable financial basis and thereby provide assurance of repayment of loans within the time when payment of such loans are due under the terms of the note or notes as extended.

(2) RUS will determine whether a Borrower qualifies for the deferment on a case-by-case basis, considering such factors as the following:

(i) Substantial unreimbursed or uninsured expenses relating to storm damage;

(ii) Loss of large power load (as defined in § 1710.7(c)(6)(ii) of this chapter, Large retail power contracts); or

(iii) Substantial loss of consumers or load due to hostile annexations and condemnations, without adequate compensation.

(b) *Deferments for energy resource conservation (ERC) loans.*

(1) A Borrower may request that RUS defer principal payments to make funds available to the Borrower's consumers to conserve energy. Amounts deferred under this program can be used to cover the cost of labor and materials for the following energy conservation measures:

(i) Caulking;

(ii) Weather-stripping;

(iii) Heat pump systems (including water source heat pumps);

(iv) Heat pumps, water heaters, and central heating or central air conditioning system replacements or modifications, which reduce energy consumption;

(v) Ceiling insulation;

(vi) Wall insulation;

(vii) Floor insulation;

(viii) Duct insulation;

(ix) Pipe insulation;

(x) Water heater insulation;

(xi) Storm windows;

(xii) Thermal windows;

(xiii) Storm or thermal doors;

(xiv) Electric system coordinated customer-owned devices that reduce the maximum kilowatt demand on the electric system;

(xv) Clock thermostats; or

(xvi) Attic ventilation fans.

(2) ERC loans will be amortized over not more than 84 months, without penalty for prepayment of principal.

(c) *Deferments for renewable energy projects.* (1) A Borrower may request that RUS defer principal payments to enable the Borrower to finance renewable energy projects. Amounts deferred under this program can be used to cover costs to install all or part of a renewable energy system including, without limitation:

(i) Energy conversion technology;

(ii) Electric system interface;

(iii) Delivery equipment;

(iv) Control equipment; and

(v) Energy consuming devices.

(2) A Borrower may request that RUS defer principal payments for the purpose of enabling the Borrower to provide its consumers with loans to install all or part of customer-owned renewable energy systems up to 5kW.

(3) A renewable energy system is defined in § 1710.2 of this chapter.

(4) For the purpose of this subpart, a renewable energy project consists of one or more renewable energy systems.

(d) *Deferments for contributions-in-aid of construction.*

(1) A Borrower may request RUS to defer principal payments to enable the Borrower to make funds available to new full time residential consumers to assist them in paying their share of the construction costs (contribution-in-aid of construction) needed to connect them to the Borrower's system.

(2) Amounts available for this purpose will be limited to the amount of the construction costs that are in excess of the average cost per residential consumer incurred by the Borrower to connect new full time residential consumers during the last calendar year for which data are available. The average cost per residential consumer is

the total cost incurred by the Borrower and will not be reduced by the amounts received as a contribution-in-aid of construction.

**§ 1721.105 Application documents.**

(a) *Deferments for financial hardship.* A Borrower requesting a section 12 deferment because of financial hardship must submit the following:

(1) A summary of the financial position of the Borrower, based on the latest information available (usually less than 60 days old).

(2) A copy of the board resolution requesting an extension due to financial hardship.

(3) A 10-year financial forecast of revenues and expenses on a cash basis, by year, for the period of the extension and 5 years beyond to establish that the remaining payments can be made as rescheduled.

(4) A listing of notes or portions of notes to be extended, the effective date for the beginning of the extension, and the length of the extension.

(5) A narrative description of the nature and cause of the hardship and the strategy that will be instituted to mitigate or eliminate the effects of the hardship.

(b) *Deferments for energy resource conservation loans.* A Borrower requesting principal deferments for an ERC loan program must submit the following information:

(1) A letter from the Borrower's General Manager requesting an extension of principal payments for the purpose of offering an ERC loan program to its members and describing the details of the program.

(2) A copy of the board resolution establishing the ERC loan program.

(c) *Deferments for renewable energy projects.* A Borrower requesting principal deferments for its renewable energy project must submit the following information:

(1) A letter from the Borrower's General Manager requesting an extension of principal payments for the purpose of financing a renewable energy project and describing the details of the project.

(2) A copy of the board resolution establishing the renewable energy project.

(d) *Deferments for contribution-in-aid of construction.* A Borrower requesting principal deferments for contribution-in-aid of construction must submit the following information:

(1) A letter from the Borrower's General Manager requesting an extension of principal payments for the purpose of offering a contribution-in-aid of construction program and describing the details of the program.

(2) A copy of the board resolution establishing the contribution-in-aid of construction program.

(3) A summary of the calculations used to determine the average cost per residential consumer. (See § 1721.104 (e)(2)).

**§ 1721.106 Repayment of deferred payments.**

(a) *Deferments relating to financial hardship.* The total amount of principal and interest that has been deferred, including interest on deferred principal, will be added to the principal balance, and the total amount of principal and interest that has been deferred will be reamortized over the life of the applicable note beginning in the first year the deferral period ends. For example: the amount of interest deferred in years 2001, 2002, 2003, 2004, and 2005, will be added to the principal balance and reamortized over the life of the applicable note for repayment starting in year 2006.

(b) *Deferments relating to the ERC loan program, renewable energy project, and the contribution-in-aid of construction.* An extension agreement is for a term of two (2) years. The installment will be recalculated each time the Borrower defers the payment of principal and recognition of the deferred amount will begin with the next payment. For example: the amount deferred in the October payment will be reamortized over a 84 month period starting with the next payment (November if paying on a monthly basis). When a Borrower defers principal under any of these programs the scheduled payment on the account will increase by an amount sufficient to pay off the deferred amount, with interest, by the date specified in the agreement (usually 84 months (28 quarters)).

**§ 1721.107 Agreement.**

After approval of the Borrower's request for a deferment of principal and interest, an extension agreement, containing the terms of the extension, together with associated materials, will be prepared and forwarded to the Borrower by RUS. The extension agreement will then be executed and returned to RUS by the Borrower.

**§ 1721.108 Commencement of the deferment.**

The deferment of principal and interest will not begin until the extension agreement and other supporting materials, in form and substance satisfactory to RUS, have been executed by the Borrower and returned to RUS. Examples of other supporting

materials are items such as approving legal opinions from the Borrower's attorney and approvals from the relevant regulatory body for extending the maturity of existing debt and for the additional debt service payment incurred.

**§ 1721.109 OMB control number.**

The information collection requirements in this part are approved by the Office of Management and Budget and assigned OMB control number 0572-0123.

Dated: December 18, 2001.

**Hilda Gay Legg,**

*Administrator, Rural Utilities Service.*

[FR Doc. 02-234 Filed 1-3-02; 8:45 am]

**BILLING CODE 3410-15-P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 25**

**[Docket No. NM204; Special Conditions No. 25-194-SC]**

**Special Conditions: Dassault Aviation Model Mystere-Falcon 200, 20-C5, 20-D5, 20-E5, and 20-F5; High-Intensity Radiated Fields (HIRF)**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final special conditions; request for comments.

**SUMMARY:** These special conditions are issued for Dassault Aviation Model Mystere-Falcon 200, 20-C5, 20-D5, 20-E5, and 20-F5 airplanes modified by ElectroSonics. These modified airplanes will have a novel or unusual design feature when compared to the state of technology envisioned in the airworthiness standards for transport category airplanes. The modification incorporates the installation of dual Electronic Primary Flight Display systems that perform critical functions. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for the protection of these systems from the effects of high-intensity-radiated fields (HIRF). These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

**DATES:** The effective date of these special conditions is December 27, 2001.

Comments must be received on or before February 4, 2002.

**ADDRESSES:** Comments on these special conditions may be mailed in duplicate to: Federal Aviation Administration, Transport Airplane Directorate, Attention: Rules Docket (ANM-113), Docket No. NM204, 1601 Lind Avenue SW., Renton, Washington 98055-4056; or delivered in duplicate to the Transport Airplane Directorate at the above address. All comments must be marked: *Docket No. NM204*. Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4 p.m.

**FOR FURTHER INFORMATION CONTACT:**

Meghan Gordon, FAA, Standardization Branch, ANM-113, Transport Airplane Directorate, Aircraft Certification Service, 1601 Lind Avenue SW., Renton, Washington 98055-4056; telephone (425) 227-2138; facsimile (425) 227-1149.

**SUPPLEMENTARY INFORMATION:**

**Comments Invited**

The FAA invites interested persons to participate in this rulemaking by submitting written comments, data, or views. The most helpful comments reference a specific portion of the special conditions, explain the reason for any recommended change, and include supporting data. We ask that you send us two copies of written comments.

We will file in the docket all comments we receive, as well as a report summarizing each substantive public contact with FAA personnel concerning these special conditions. The docket is available for public inspection before and after the comment closing date. If you wish to review the docket in person, go to the address in the **ADDRESSES** section of this preamble between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

We will consider all comments we receive on or before the closing date for comments. We will consider comments filed late if it is possible to do so without incurring expense or delay. We may change these special conditions in light of the comments we receive.

If you want the FAA to acknowledge receipt of your comments on this proposal, include with your comments a pre-addressed, stamped postcard on which the docket number appears. We will stamp the date on the postcard and mail it to you.

**Background**

On November 9, 2001, ElectroSonics, 4391 International Gateway, Columbus, Ohio, applied for a Supplemental Type Certificate (STC) to modify Dassault Aviation Model Mystere-Falcon 200,