

estimated to be \$41,690 per engine, which is the cost of new rear shafts.

Regulatory Analysis

This proposed rule does not have federalism implications, as defined in Executive Order 13132, because it 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. Accordingly, the FAA has not consulted with state authorities prior to publication of this proposed rule.

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 adding the following new airworthiness directive:

General Electric Company: Docket No. 2002-NE-24-AD.

Applicability

This airworthiness directive (AD) is applicable to General Electric Company CF6-

6 series turbofan engines. These engines are installed on, but not limited to McDonnell Douglas DC-10 series airplanes.

Note 1: This AD applies to each engine 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 engines 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 (e) 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

Compliance with this AD is required as indicated, unless already done.

To prevent cracks in high pressure turbine rotor (HPTR) rear shafts, which could result in uncontained engine failure and damage to the airplane, do the following:

- (a) Remove from service HPTR rear shafts, part numbers (P/N's) 9137M13G01/G02/G03, 9138M22G01/G02/G09/G10, 9138M25G02, and 9687M22G04/G07/G10 in accordance with Table 1 as follows:

TABLE 1.—HPTR REAR SHAFT REMOVAL SCHEDULE

| If the rear shaft cycles-since-new (CSN) on the effective date of this AD are: | Then remove the rear shaft |
|--------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| (1) Fewer than 5,000 CSN | Before exceeding 8,950 CSN |
| (2) 5,000 CSN or more, but fewer than 8,950 CSN | Within 3,950 additional cycles-in-service (CIS) from the effective date of this AD or before 11,550 CSN, whichever occurs earlier. |
| (3) 8,950 CSN or more | At next HPTR rear shaft piece part exposure, or within 2,600 additional cycles-in-service (CIS), whichever occurs earlier. |

(b) After the effective date of this AD, do not install any HPTR rear shaft, P/N 9137M13G01/G02/G03, 9138M22G01/G02/G09/G10, 9138M25G02, or 9687M22G04/G07/G10, that has 8,950 or more CSN into an engine.

(c) Except as provided in paragraph (a) of this AD, this action establishes a new, cyclic life limit of 8,950 CSN for HPTR rear shaft P/N's 9137M13G01/G02/G03, 9138M22G01/G02/G09/G10, 9138M25G02, and 9687M22G04/G07/G10 which is published in Chapter 05-11-03 of CF6-6 Engine Shop Manual, GEK 9266.

Definition

(d) For the purpose of this AD, HPTR rear shaft piece-part exposure is defined as complete disassembly of the rear shaft from the HPTR structure in accordance with the manufacturer's engine manual.

Alternative Methods of Compliance

(e) 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, Engine Certification Office (ECO). Operators must

submit their request through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, ECO.

Note 2: Information concerning the existence of approved alternative methods of compliance with this airworthiness directive, if any, may be obtained from the ECO.

Special Flight Permits

(f) Special flight permits may be issued in accordance §§ 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 done.

Issued in Burlington, Massachusetts, on January 3, 2003.

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 03-330 Filed 1-7-03; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2001-NM-231-AD]

RIN 2120-AA64

Airworthiness Directives; Boeing Model 747-400 and -400F Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Boeing Model 747-400 and -400F series airplanes. This proposal would require initial and, for certain airplanes, repetitive inspections of the

rivets in the forward, top, and side panels of the nose wheel well (NWW) for discrepancies; and follow-on inspections and corrective action, if necessary. This proposal also provides eventual terminating action for the repetitive inspections. This action is necessary to find and fix discrepancies of the rivets in the NWW panels, which could result in failure of the rivets and consequent reduced structural integrity of the panels and rapid depressurization of the airplane. This action is intended to address the identified unsafe condition.

DATES: Comments must be received by February 24, 2003.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2001-NM-231-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. 2001-NM-231-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 Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Rick Kawaguchi, Aerospace Engineer, Airframe Branch, ANM-120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-1153; fax (425) 227-1181.

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 2001-NM-231-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. 2001-NM-231-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The FAA has received reports indicating that missing rivet heads were found in the side panels of the nose wheel well (NWW) between body stations 260 and 340 of the canted pressure bulkhead on certain Boeing Model 747-400 and -400F series airplanes. Investigation revealed that the rivets were incorrectly heat-treated and were made of 7050 aluminum, which is susceptible to stress corrosion cracking. Rivets in the subject area should be made of 2017 aluminum, which is a more durable material. One airplane had 44 discrepant rivets (missing heads, incorrectly heat-treated) at random locations on both side panels, 28 of the rivets were found using a detailed inspection, and 16 were found using an indirect conductivity eddy current inspection method. Such discrepancies, if not found and fixed, could result in failure of the rivets and consequent

reduced structural integrity of the NWW panels and rapid depressurization of the airplane.

Explanation of Relevant Service Information

We have reviewed and approved Boeing Alert Service Bulletin 747-53A2472, including Appendix A, dated June 7, 2001, which describes procedures for initial and repetitive detailed inspections and a follow-on indirect conductivity eddy current inspection for discrepancies (missing rivet heads or incorrectly heat-treated rivets) in the forward, top, and side panels of the NWW between fuselage stations 260 and 340 of the canted pressure bulkhead; and corrective action, if necessary. The corrective action includes the following:

- If up to three adjacent rivets with missing heads are found, remove the discrepant rivets and install permanent or time limited repair fasteners.
- If four or more adjacent rivets with missing heads are found, remove discrepant rivets and do a high frequency eddy current inspection of the web for cracking around the intact fasteners at each end of the line of missing rivets.
- If web cracking is found, the service bulletin specifies contacting the manufacturer for repair instructions.
- If no web cracking is found, install permanent or time limited repair fasteners.

Accomplishment of the actions specified in the 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 require accomplishment of the actions specified in the service bulletin described previously, except as discussed below.

Difference Between Service Information and Proposed Rule

Although the service bulletin specifies that the manufacturer may be contacted for disposition of certain repair conditions, this proposal would require the repair of those conditions to be done per a method approved by the FAA, or per data meeting the type certification basis of the airplane approved by a Boeing Company Designated Engineering Representative who has been authorized by the FAA to make such findings.

Interim Action

This is considered to be interim action until final action is identified, at which time the FAA may consider further rulemaking.

Cost Impact

There are approximately 43 airplanes of the affected design in the worldwide fleet. The FAA estimates that 6 airplanes of U.S. registry would be affected by this proposed AD.

It would take approximately 4 work hours per airplane to do the proposed detailed inspection, at an average labor rate of \$60 per work hour. Based on these figures, the cost impact of the detailed inspection proposed by this AD on U.S. operators is estimated to be \$1,440, or \$240 per airplane, per inspection cycle.

It would take approximately 10 work hours per airplane to do the proposed indirect conductivity eddy current inspection, at an average labor rate of \$60 per work hour. Based on these figures, the cost impact of the indirect conductivity eddy current inspection proposed by this AD on U.S. operators is estimated to be \$3,600, or \$600 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet done any of the proposed requirements of this AD action, and that no operator would do those actions in the future if this proposed 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 adding the following new airworthiness directive:

Boeing: Docket 2001–NM–231–AD.

Applicability: Model 747–400 and –400F series airplanes, line numbers 1141 through 1183 inclusive, 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 (d) 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 find and fix discrepancies of the rivets in the nose wheel well (NWW) panels, which could result in failure of the rivets and consequent reduced structural integrity of the panels and rapid depressurization of the airplane, do the following:

Repetitive/Follow-on Inspections/Corrective Action

(a) Within 6 months after the effective date of this AD: Do a detailed inspection of the forward, top, and side panels of the NWW for missing rivet heads, between fuselage stations 260 and 340 of the canted pressure bulkhead, per Figure 2 of the Work

Instructions of Boeing Alert Service Bulletin 747–53A2472, including Appendix A, dated June 7, 2001.

(1) If any missing rivet head is found, before further flight, replace with a permanent or time limited repair fastener and do the actions specified in paragraph (b) of this AD.

(2) If no missing rivet head is found, before further flight, do the actions required by paragraph (c) of this AD, or repeat the detailed inspection at least every 6 months until paragraph (c) of this AD is done.

Note 2: For the purposes of this AD, a detailed 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."

(b) If any missing rivet head is found during any inspection required by paragraph (a) of this AD: Within 30 days after doing the detailed inspection, do an indirect conductivity eddy current inspection for discrepant rivets (incorrectly heat-treated) per Figure 2 of the Work Instructions of the service bulletin. If any discrepant rivet is found, before further flight, replace with a permanent or time limited repair fastener as required by paragraph (b)(1) or (b)(2) of this AD, as applicable. If no discrepant rivet is found, no further action is required by this AD. Replace any time limited repair fasteners with permanent fasteners within 24 months after installation.

(1) If up to three adjacent discrepant rivets are found: Before further flight, remove the affected rivets and replace with permanent or time limited repair fasteners per the Work Instructions of the service bulletin.

(2) If four or more adjacent discrepant rivets are found: Before further flight, remove the affected rivets and do a high frequency eddy current inspection of the web for cracking around the intact fasteners at each end of the line of missing rivets per the Work Instructions of the service bulletin.

(i) If no web cracking is found, before further flight, install permanent or time limited repair fasteners per the Work Instructions of the service bulletin.

(ii) If any web cracking is found, before further flight, repair per a method approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA; or per data meeting the type certification basis of the airplane approved by a Boeing Company Designated Engineering Representative who has been authorized by the Manager, Seattle ACO, to make such findings. For a repair method to be approved, the approval must specifically reference this AD.

Terminating Action

(c) For airplanes on which no missing rivet head is found during the inspection required by paragraph (a) of this AD: Within 2 years after the effective date of this AD, do an indirect conductivity eddy current inspection

for discrepant rivets (incorrectly heat-treated) of the NWW panels between fuselage stations 260 and 340 of the canted pressure bulkhead per the Work Instructions of Boeing Alert Service Bulletin 747-53A2472, including Appendix A, dated June 7, 2001.

(1) If any discrepant rivet is found, before further flight, replace with a permanent or time limited repair fastener. Replace any time limited repair fasteners with permanent fasteners within 24 months after installation.

(2) If no discrepant rivet is found, no further action is required by this AD.

Alternative Methods of Compliance

(d) 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.

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 Permit

(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 done.

Issued in Renton, Washington, on December 31, 2002.

Kevin Mullin,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 03-333 Filed 1-7-03; 8:45 am]

BILLING CODE 4910-13-P

certain dispositions and deconsolidations of such stock.

DATES: The public hearing originally scheduled for January 15, 2003, at 10 a.m., is cancelled.

FOR FURTHER INFORMATION CONTACT:

Sonya M. Cruse of the Regulations Unit, Associate Chief Counsel (Income Tax and Accounting), (202) 622-7180 (not a toll-free number).

SUPPLEMENTARY INFORMATION: A notice of proposed rulemaking and notice of public hearing that appeared in the **Federal Register** on Wednesday, October 23, 2002 (67 FR 65060), announced that a public hearing was scheduled for January 15, 2003, at 10 a.m., in room 6718, Internal Revenue Service Building, 1111 Constitution Avenue, NW., Washington, DC. The subject of the public hearing is proposed regulations under section 1502 of the Internal Revenue Code. The public comment period for these regulations expires on January 21, 2003. Outlines of oral testimony were due on December 27, 2002. The notice of proposed rulemaking and notice of public hearing, instructed those interested in testifying at the public hearing to submit outlines of topics to be addressed. As of Friday, January 3, 2003, no one has requested to speak. Therefore, the public hearing scheduled for January 15, 2003, is cancelled.

Cynthia E. Grigsby,

Chief, Regulations Unit, Associate Chief Counsel (Income Tax and Accounting).

[FR Doc. 03-353 Filed 1-7-03; 8:45 am]

BILLING CODE 4830-01-P

FOR FURTHER INFORMATION CONTACT: Guy R. Traynor in the Regulations Unit, Associate Chief Counsel (Income Tax & Accounting), at (202) 622-7180 (not a toll-free number).

SUPPLEMENTARY INFORMATION: A notice of proposed rulemaking and notice of public hearing that appeared in the **Federal Register** on Monday, October 7, 2002 (67 FR 62417), announced that a public hearing was scheduled for January 14, 2003, at 10 a.m., in room 4718 of the Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC 20044. The subject of the public hearing is proposed regulations under section 417 of the Internal Revenue Code. The deadline for submitting outlines and requests to speak at the hearing for these proposed regulations expired on January 2, 2003.

The notice of proposed rulemaking and notice of public hearing, instructed those interested in testifying at the public hearing to submit a request to speak and an outline of the topics to be addressed. As of January 3, 2003, no one has requested to speak. Therefore, the public hearing scheduled for January 14, 2003, is cancelled.

Cynthia E. Grigsby,

Chief, Regulations Unit, Associate Chief Counsel, (Income Tax & Accounting).

[FR Doc. 03-352 Filed 1-7-03; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-131478-02]

RIN 1545-BB25

Guidance Under Section 1502; Suspension of Losses on Certain Stock Dispositions; Hearing Cancellation

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Cancellation of notice of public hearing on proposed rulemaking.

SUMMARY: This document cancels a public hearing on proposed regulations under section 1502 of the Internal Revenue Code regarding proposed regulations that redetermine the basis of stock of a subsidiary member of a consolidated group immediately prior to

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-124667-02]

RIN 1545-BA78

Disclosure of Relative Values of Optional Forms of Benefit; Hearing Cancellation

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Cancellation of notice of public hearing on proposed rulemaking.

SUMMARY: This document cancels the public hearing on proposed regulations relating to the disclosure of relative values of optional forms of benefit under section 417 of the Internal Revenue Code.

DATES: The public hearing originally scheduled for Tuesday, January 14, 2003, at 10 a.m., is cancelled.

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

27 CFR Part 9

[Notice No. 965; 2002R-421P]

RIN 1512-AD05

Proposed Expansion of the Russian River Valley Viticultural Area

AGENCY: Bureau of Alcohol, Tobacco and Firearms (ATF), Treasury.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: ATF has received a petition proposing the expansion of the Russian River Valley viticultural area in Sonoma County, California. The petitioned 767-acre expansion lies on the eastern boundary of the Russian River Valley viticultural area, which is entirely within the Sonoma Coast and North Coast viticultural areas of northern California. We propose this action under the authority of the Federal Alcohol Administration Act. We invite comments on this proposal.