which expects to have a system ready for installation on vehicles up to 20,000 lbs GVWR by the fourth quarter of 1999. The company told Capacity that it will take a minimum of one winter test season to assure that the controller can be adapted to a vehicle. Thus, Capacity does not foresee that it can use this system and comply before the Fall of 2000.

Finally, Capacity consulted Rockwell/Meritor-Wabco System. This company has a controller that ''can be fine tuned on a vehicle to meet different dynamic characteristics.'' However, ''even if this system proves out, it appears that a year's testing will be required to adapt it to our bus chassis.''

Why Exempting Capacity Would Be Consistent With the Public Interest and Objectives of Motor Vehicle Safety

Capacity argued that an exemption would be in the public interest and consistent with traffic safety objectives because

> many of these vehicles end up serving small cities and rural transit districts. These customers have limited budgets so the availability of an economical low floor bus allows them to prove fee service in areas where large buses are too costly to operate. The low floor feature of this vehicle allows the finished bus to readily serve the handicapped community.

In addition, ''these buses operate in shuttle and light transit operations where high speed stops aren't commonly experienced.'' Capacity believes that rushing an anti-lock system into production might present a risk to safety.

Our Findings and Decision

At the moment, Capacity's net income is larger than many low-volume manufacturers who apply for temporary exemptions. However, in the absence of an exemption, Capacity will not be able to generate revenues by providing ''100 or less yearly'' bus chassis for its customer, World Trans until such time as it is able to produce a conforming bus. This raises the possibility that World Trans would look elsewhere for bus chassis and that Capacity would permanently lose World Trans as a customer. In the absence of an exemption, it is logical to assume that Capacity would attempt to reduce its expenses by a reduction in its work force. As discussed earlier, the brake component suppliers contacted by Capacity have been unable to help the company comply by March 1, 1999, the effective date of the anti-lock requirement. Lucas/Varity does not appear interested in producing an anti-lock controller in small quantities. Eaton-Bosch does not anticipate having a suitable controller until 2001. ITT Automotive Teves does not appear able to provide a reliable controller before late in 2000. Rockwell/Meritor-Wabco System may have a suitable controller, but if so, ''a year's testing will be required to adapt it to [the Capacity] bus chassis.'' It appears that two of the three suppliers may have a usable anti-lock controller that could be installed were a two-year exemption provided.

A two-year exemption would also be consistent with our views that exemptions must be sparingly given to buses because they are motor vehicles which may carry hundreds of passengers daily. Some of Capacity's buses, it appears, will operate in environments where high speed stops are not commonly experienced. Although we do not know how many passengers these buses are designed to carry, they appear to be smaller than big-city transit buses even though their GVWR is greater than 10,000 pounds.

It is in the public interest to facilitate the availability of relatively inexpensive buses whose size and price are appropriate for the small city and rural district transit markets in which they are sold and operated. In its comment in support of the application, NTEA stated that denial of the exemption request would also hurt the communities that need ''these specialized vehicles.'' NTEA also commented that ''the features of this bus also allow it to serve the handicapped community.''

For these reasons, we find that compliance with S5.5 of Motor Vehicle Safety Standard No. 105 would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard. We further find that a temporary exemption would be consistent with the public interest and the objectives of motor vehicle safety.

Accordingly, Capacity of Texas, Inc., is hereby granted NHTSA Temporary Exemption No. 99–5 from S5.5 of 49 CFR 571.105 Standard No. 105 Hydraulic and Electric Brake Systems, expiring April 1, 2001.

Authority: 49 U.S.C. 30113; delegation of authority at 49 CFR 1.50.

Issued on: April 30, 1999.

Ricardo Martinez,

Administrator.

[FR Doc. 99–11302 Filed 5–4–99; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA 99–5210 Notice 1]

Ford Motor Co.; Receipt of Application for Determination of Inconsequential Non-Compliance

Ford Motor Company (''Ford''), of Dearborn, Michigan has applied to be exempted from the notification and remedy requirements of 49 U.S.C. Chapter 301 ''Motor Vehicle Safety'' for a noncompliance with 49 CFR 571.205, Federal Motor Vehicle Safety Standard (FMVSS) No. 205, ''Glazing Materials,'' on the basis that the noncompliance is inconsequential to motor vehicle safety. Ford has filed a report of noncompliance pursuant to 49 CFR part 573 ''Defects and Noncompliance Reports.''

This notice of receipt of an application is published under 49 U.S.C. 30118 and 30120 and does not represent any agency decision or other exercise of judgement concerning the merits of the application.

Description of the Noncompliance

Certain Ford Contour, Mercury Mystique, Ford Econoline, Ford Ranger and Mazda B series (manufactured by Ford) vehicles were equipped with windshields which were not marked with the symbol ''AS1'' per the requirements of S6 of Federal Motor Vehicle Safety Standard (FMVSS) 205, which incorporates the requirements of section 6 of ANSI Z26.1 (American National Standard Institute, Safety Code for Safety Glazing Materials for Glazing Motor Vehicles Operating on Land Highways—1977). The noncompliant windshields meet all performance requirements of FMVSS 205 and ANSI Z26.1.

Number of Vehicles

Three hundred eighty-two thousand nine hundred (382,900) vehicles manufactured between June 11, 1997 and September 25, 1998, are believed to contain the noncompliance. Approximately 8,400 of these were Mazda B Series vehicles.

Supporting Information as Submitted by Ford

The windshields, while produced without the AS1 mark, contain all other markings required by FMVSS 205 and ANSI Z26.1 including the manufacturer's trademark, DOT number, and model number. The model number identifies the glazing material as laminated safety glass, AS1. In addition,

the trademark includes the word ''Laminated'' and also includes an aftermarket National Auto Glass Specification number that identifies the vehicles for which the windshield is designed. With the windshield markings provided, a customer is highly unlikely to encounter any problems obtaining the appropriate replacement windshield should that need arise.

This marking failure first occurred on the Contour/Mystique and was precipitated by a production change to remove the windshield shade band. In the setup for the production of clear windshields, the AS1 mark was inadvertently omitted when trademark information was provided to a supplier. The same band was subsequently deleted on the other noncompliant vehicles, resulting in those windshields also being produced without the mark.

The stated purposes of FMVSS 205 are to reduce injuries resulting from impact to glazing surfaces, to ensure a necessary degree of transparency in motor vehicle windows for driver visibility, and to minimize the possibility of occupants being thrown through the vehicle windows in collections. Because the windshields fully meet all of the applicable performance requirements, the absence of the AS1 mark has no effect upon the ability of the windshield glazing to satisfy these stated purposes and thus perform in the manner intended by FMVSS 205. Neither Ford nor Mazda is aware of any complaints of crashes or injuries related to this condition.

Though not a safety concern, to preclude any potential customer difficulty during vehicle inspections in states where glazing markings are checked during the state inspection process, Ford and Mazda, beginning in January 1999, are providing letters to the approximately 87,500 affected owners in those states (i.e., California, Maine, Maryland, Missouri, New Jersey, New York, Oklahoma, Utah, Vermont, and West Virginia). These letters will identify the condition, certify that the windshields fully meet all other marking requirements and all performance requirements of FMVSS 205, and indicate that state authorities responsible for vehicle inspections have been notified of this condition. These letters also indicate that Ford and Mazda will apply the AS1 marking on any noncompliant windshield in these states if the owner requests the marking be applied. In addition, Ford and Mazda will advise dealers in these states, through the year 2001, to mark the windshields that do not have the AS1 mark when the vehicle is brought in for a regular service, regardless of whether the marking has been requested by the owner. Based on Ford's past experience with such programs, the company believes that this will result in the majority of the windshields in these states being marked. Also, coincident with the owner letters, a letter will be sent to the appropriate authority in the above identified states providing any explanation of the condition, certification that the windshields fully meet all other marking requirements and all performance requirements of FMVSS 205, and a listing of vehicle VIN numbers of all affected vehicles registered in that state.

Interested persons are invited to submit written data, views and arguments on the petition of Ford, described above. Comments should refer to the Docket Number and be submitted to: Docket Management, National Highway Traffic Safety Administration, Room PL 401, 400 Seventh Street, SW., Washington, DC 20590. It is requested that two copies be submitted.

All comments received before the close of business on the closing date indicated below will be considered. The application and supporting materials, and all comments received after the closing date will also be filed and will be considered to the extent practicable. When the application is granted or denied, the Notice will be published in the **Federal Register** pursuant to the authority indicated below.

Comment closing date: June 4, 1999.

(49 U.S.C. 30118, 30120; delegations of authority at 49 CFR 1.50 and 49 CFR 501.8).

Issued on: April 29, 1999.

L. Robert Shelton,

Associate Administrator for Safety Performance Standards.

[FR Doc. 99–11258 Filed 5–04–99; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA–99–5607; Notice 1]

Qvale Automotive Group SrL; Application for Temporary Exemption From Federal Motor Vehicle Safety Standard No. 208

We are asking your views on the application by Qvale Automotive Group, SrL of Modena, Italy (''Qvale''), for an exemption until March 31, 2001, from the automatic restraint requirements of Motor Vehicle Safety Standard No. 208 Occupant Protection Systems. Qvale has applied on the basis that ''compliance would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard.'' 49 CFR 555.6(a).

We are publishing this notice of receipt of the application in accordance with our regulations on temporary exemptions. This action does not represent any judgment by us about the merits of the application. The discussion that follows is based on information contained in Qvale's application.

Why Qvale Needs a Temporary Exemption

Qvale is an Italian corporation, formed in January 1998. It is controlled by an American corporation owned by the Qvale family of San Francisco, California, which was also formed in January 1998. The American corporation does business as DeTomaso Automobiles, Ltd.

DeTomaso Modena SpA, a small manufacturer of automobiles which produces less than 100 motor vehicles a year, developed a convertible passenger car, the Bigua, but was financially unable to produce it. Qvale has obtained the worldwide rights to manufacture and sell the Bigua under the name DeTomaso Mangusta. As of March 1999, Qvale had invested more than $7,000,000 in the Mangusta project, and anticipates an additional investment of $3,000,000 by the time production begins in September 1999.

When the project began in early 1998, Qvale expected that a Ford Mustang air bag system could be easily integrated into the Mangusta, because DeTomaso Modena had anticipated that the U.S. would be the primary market for the car. However, it has developed that significant re-engineering will be required to incorporate an automatic restraint system that complies with S4.1.5.3 of Standard No. 208. Qvale believes that it will be able to manufacture a conforming car beginning in May 2000, but says that it needs an exemption so that it may sell the Mangusta in the United States, beginning in November 1999, to generate funds under its business plan. It has asked to be exempted through March 31, 2001, to allow for unforeseen problems during development. The applicant intends to retrofit exempted vehicles with air bag systems when they become available. It anticipates sales of 200–250 Mangustas under the exemption.

Why Compliance Would Cause Qvale Substantial Economic Hardship

Neither Qvale nor its American parent has had any income or sales since their