1999: Install a ramp deflector assembly on the right side forward entry drop ceiling structure in accordance with McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 05, dated June 21, 1999; or McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 06, dated January 27, 2000. After the effective date of this AD, only Revision 06 of the alert service bulletin shall be used.

(2) For Group 2 airplanes listed in McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 05, dated June 21, 1999: Install a ramp deflector assembly on the right side forward entry drop ceiling structure in accordance with McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 05, dated June 21, 1999; or McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 06, dated January 27, 2000. After the effective date of this AD, only Revision 06 of the alert service bulletin shall be used.

Note 3: Installation of a ramp deflector assembly in accordance with McDonnell Douglas Service Bulletin MD11–25–194, dated March 15, 1996; Revision 01, dated May 1, 1996; Revision 02, dated July 12, 1996; Revision 03, dated December 12, 1996; or Revision 04, dated March 8, 1999, is acceptable for compliance with the requirements of paragraph (c)(2) of this AD.

(3) For Group 3 airplanes listed in McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 05, dated June 21, 1999: Modify the previously installed ramp deflector assembly bracket in accordance with McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 05, dated June 21, 1999; or McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 06, dated January 27, 2000. After the effective date of this AD, only Revision 06 of the alert service bulletin shall be used.

(4) For airplanes listed in McDonnell Douglas Alert Service Bulletin MD11–24A068, Revision 01, dated March 8, 1999: Perform a general visual inspection of the wire assembly support installation for evidence of chafing, in accordance with the service bulletin. If any chafing is detected, prior to further flight, repair or replace any discrepant part with a new part in accordance with the service bulletin.

Note 4: For the purposes of this AD, a general visual inspection is defined as ''A visual examination of an interior or exterior area, installation, or assembly to detect obvious damage, failure, or irregularity. This level of inspection is made under normally available lighting conditions such as daylight, hangar lighting, flashlight, or droplight, and may require removal or opening of access panels or doors. Stands, ladders, or platforms may be required to gain proximity to the area being checked.''

One-Time Inspection

(d) For airplanes other than those identified in paragraph (a) of this AD: Within 10 days after January 8, 2001 (the effective date of AD 2000–24–11, amendment 39–12018), perform a detailed visual inspection of the aircraft wiring to detect discrepancies that include but are not limited to frayed, chafed, or nicked wires and wire insulation in the areas specified in paragraphs (a)(1) and (a)(2) of this AD. If any discrepancy is found, prior to further flight, repair in accordance with the requirements of paragraph (b) of this AD.

Note 5: Accomplishment of the inspection required by paragraph (a) of AD 98–25–11 R1, amendment 39–10988, prior to the effective date of this AD, is acceptable for compliance with paragraph (d) of this AD.

Modification

(e) For airplanes listed in Group 3 of McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 06, dated January 27, 2000: Within 6 months after January 8, 2001, modify the ramp deflector assembly support bracket on the right side forward entry door drop ceiling structure, in accordance with McDonnell Douglas Alert Service Bulletin MD11–25A194, Revision 06, dated January 27, 2000.

New Actions Required by This AD

Inspection, Corrective Action, if Necessary, and Replacement

(f) For airplanes listed in Groups 1 and 2 in Boeing Alert Service Bulletin MD11–24A068, Revision 02, dated May 16, 2001: Within 6 months after the effective date of this AD, do the actions specified in paragraphs (f)(1) and (f)(2) of this AD.

(1) Do a general visual inspection of the wire assembly support installation above the entry door (L1) sliding panel of the forward drop ceiling of the passenger compartment for chafing per the service bulletin. If any chafing is found, before further flight, repair per the service bulletin.

(2) Replace the wire support bracket with new support clip assemblies and ensure adequate clearance exists for all parts of the wire assembly, including breakouts to module blacks and grounds, per the service bulletin.

Alternative Methods of Compliance

(g) 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 6: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

Special Flight Permits

(h) 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 August 20, 2002.

Vi L. Lipski,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 02–22005 Filed 8–28–02; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2001–NM–166–AD]

RIN 2120–AA64

Airworthiness Directives; McDonnell Douglas Model MD–11 and –11F 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 McDonnell Douglas Model MD–11 and –11F airplanes. This proposal would require an inspection to detect damage of the wiring/bundles routed to the wire support bar of the circuit breaker panel and to the circuit breakers, and an inspection of the wiring/bundles for correct routing. This proposal also would require installation of protective sleeving, spacers, and sta-straps; and corrective/follow-on actions, if necessary. This action is necessary to prevent chafing and consequent arcing or loss of electrical power to associated avionics buses in the upper avionics circuit breaker panel of the main observer's station, which could result in smoke and/or fire in the cockpit. This action is intended to address the identified unsafe condition.

DATES: Comments must be received by October 15, 2002.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2001–NM–166–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–166–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: Data and Service Management, Dept. C1–L5A (D800–0024). This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California.

FOR FURTHER INFORMATION CONTACT:

Technical Information: Brett Portwood, Aerospace Engineer, Systems and Equipment Branch, ANM–130L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712–4137; telephone (562) 627–5350; fax (562) 627–5210.

Other Information: Sandi Carli, Airworthiness Directive Technical Writer/Editor; telephone (425) 687–4243, fax (425) 227–1232. Questions or comments may also be sent via the Internet using the following address: *sandi.carli@faa.gov.* Questions or comments sent via the Internet as attached electronic files must be formatted in Microsoft Word 97 for Windows or ASCII text.

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–166–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–166–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

As part of its practice of re-examining all aspects of the service experience of a particular aircraft whenever an accident occurs, the FAA has become aware of an incident of loss of 28-volt alternating current (VAC) instrument electrical power on a McDonnell Douglas Model MD–11 airplane. Investigation revealed a wire pulled out at the upper avionics circuit breaker panel of the main observer's station. Boeing conducted inspections on six airplanes that revealed improper wire routing, insufficient chafe protection, and strained wires on the upper avionics circuit breaker panel area on five of the inspected airplanes. These conditions, if not corrected, could result in arcing or loss of electrical power to associated avionics buses in the upper avionics circuit breaker panel, which could result in smoke and/or fire in the cockpit.

The upper avionics circuit breaker panel of the main observer's station on certain MD–11F airplanes are identical to those on the affected MD–11 airplanes. Therefore, both of these models may be subject to the same unsafe condition.

This incident is not considered to be related to an accident that occurred off the coast of Nova Scotia involving a McDonnell Douglas Model MD–11 airplane. The cause of that accident is still under investigation.

Other Related Rulemaking

We, along with Boeing and operators of Model MD–11 and –11F airplanes, is continuing to review all aspects of the service history of those airplanes to identify potential unsafe conditions and to take appropriate corrective actions. This proposed airworthiness directive (AD) is one of a series of actions identified during that process. The process is continuing and we may consider additional rulemaking actions as further results of the review become available.

Explanation of Relevant Service Information

We have reviewed and approved Boeing Alert Service Bulletin MD11–24A179, Revision 02, dated December 19, 2001, which describes the following procedures:

1. Doing a detailed inspection to detect damage of the wiring/bundles routed to the wire support bar of the circuit breaker panel and to the circuit breakers;
2. Doing a general visual inspection of the wiring/bundles for correct routing and making sure that ABS9108 (16-gauge power feeders) routing provides adequate stress relief from the support bar to bus termination points;
3. Installing protective sleeving, spacers, and sta-straps;
4. Repairing or replacing any damaged wiring/bundle with new wiring;
5. Replacing the wire clamp located on the support bar of the circuit breaker panel with a new clamp, if necessary; and
6. Modifying the wire routing, if necessary.

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.

Explanation of AD Applicability

We have specified model designations in the applicability of this proposed AD as published in the most recent type certificate data sheet for the affected models. These model designations differ in the referenced service bulletin.

Cost Impact

There are approximately 195 Model MD–11 and –11F airplanes of the

affected design in the worldwide fleet. We estimate that 72 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 3 work hours per airplane to accomplish the proposed inspections and modification, and that the average labor rate is $60 per work hour. Based on these figures, the cost impact of the inspections and modification proposed AD on U.S. operators is estimated to be $12,960, or $180 per airplane.

The cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish 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:

McDonnell Douglas: Docket 2001–NM–166–AD.

Applicability: Model MD–11 and –11F airplanes, as listed in Boeing Alert Service Bulletin MD11–24A179, Revision 02, dated December 19, 2001; 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 (c) 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 chafing and consequent arcing or loss of electrical power to associated avionics buses in the upper avionics circuit breaker panel, which could result in smoke and/or fire in the cockpit, accomplish the following:

Inspection, Corrective Actions, Modification, and Installation

(a) Within 6 months after the effective date of this AD, do the actions specified in paragraphs (a)(1) through (a)(3) of this AD, per Boeing Alert Service Bulletin MD11–24A179, Revision 02, dated December 19, 2001.

(1) Do a detailed inspection to detect damage of the wiring/bundles routed to the wire support bar of the circuit breaker panel and to the circuit breakers.

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.''

(2) Do a general visual inspection of the wiring/bundles for correct routing. Make sure ABS9108 (16-gauge power feeders) routing provides adequate stress relief from the support bar to bus termination points.

Note 3: For the purposes of this AD, a general visual inspection is defined as: ''A visual examination of an interior or exterior area, installation, or assembly to detect obvious damage, failure, or irregularity. This level of inspection is made from within touching distance unless otherwise specified. A mirror may be necessary to enhance visual access to all exposed surfaces in the inspection area. This level of inspection is made under normally available lighting conditions such as daylight, hangar lighting, flashlight, or droplight and may require removal or opening of access panels or doors. Stands, ladders, or platforms may be required to gain proximity to the area being checked.''

(3) Install protective sleeving, spacers, and sta-straps.

Corrective/Follow-On Actions, if Necessary

(b) Before further flight after doing the inspections required by paragraphs (a)(1) and (a)(2) of this AD, do the applicable corrective/follow-on action(s) specified in ''Table-Corrective/Follow-On Actions'' of this AD per Boeing Alert Service Bulletin MD11–24A179, Revision 02, dated December 19, 2001. Table—Corrective/Follow-On Actions is as follows:

TABLE.—CORRECTIVE/FOLLOW-ON ACTIONS

If—	Then—
(1) Any damaged wiring/bundle is detected.	Repair or replace any damaged wiring/bundle with new wiring.
(2) Correct routing is detected.	Replace the wire clamp located on the support bar of the circuit breaker panel with a new clamp.
(3) Incorrect routing is detected.	Modify wire routing, and replace the wire clamp located on the support bar of the circuit breaker panel with a new clamp.

Alternative Methods of Compliance

(c) 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 4: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

Special Flight Permit

(d) 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 August 20, 2002.

Vi L. Lipski,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 02–22006 Filed 8–28–02; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF COMMERCE

International Trade Administration

DEPARTMENT OF THE INTERIOR

Office of Insular Affairs

15 CFR Part 303

[Docket No. 991228350–2176–03]

RIN 0625–AA57

Changes in the Insular Possessions Watch, Watch Movement and Jewelry Program

AGENCIES: Import Administration, International Trade Administration, Department of Commerce; Office of Insular Affairs, Department of the Interior.

ACTION: Notice of proposed rulemaking and request for comments.

SUMMARY: The Departments propose amending their regulations governing watch duty-exemption allocations and the watch and jewelry duty-refund benefits for producers in the United States insular possessions (the U.S. Virgin Islands, Guam, American Samoa and the Commonwealth of the Northern Mariana Islands). The proposed rule would amend ITA regulations by clarifying the meaning of ''permanent resident'' which is a term used in Pub. L. 97–446 and the current regulations.

DATES: Written comments must be received on or before September 30, 2002.

ADDRESSES: Address written comments to Faye Robinson, Acting Director, Statutory Import Programs Staff, FCB, Suite 4100W, U.S. Department of Commerce, 14th and Constitution Ave., NW., Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Faye Robinson, (202) 482–3526, same address as above.

SUPPLEMENTARY INFORMATION: The insular possessions watch industry provision in Sec. 110 of Pub. L. 97–446 (96 Stat. 2331) (1983), as amended by Sec. 602 of Pub. L. 103–465 (108 Stat. 4991) (1994); additional U.S. Note 5 to chapter 91 of the Harmonized Tariff Schedule of the United States (''HTSUS''), as amended by Pub. L. 94–241 (90 Stat. 263) (1976) requires the Secretary of Commerce and the Secretary of the Interior, acting jointly, to establish a limit on the quantity of watches and watch movements which may be entered free of duty during each calendar year. The law also requires the Secretaries to establish the shares of this limited quantity which may be entered from the Virgin Islands, Guam, American Samoa and the Commonwealth of the Northern Mariana Islands (''CNMI''). After the Departments have verified the data submitted on the annual application (Form ITA–334P), the producers' duty-exemption allocations are calculated from the territorial share in accordance with 15 CFR 303.14 and each producer is issued a duty-exemption license. The law further requires the Secretaries to issue duty-refund certificates to each territorial watch and watch movement producer based on the company's duty-free shipments and creditable wages paid during the previous calendar year.

Pub. L. 106–36 (113 Stat. 127) (1999) authorizes the issuance of a duty-refund certificate to each territorial jewelry producer for any article of jewelry provided for in heading 7113 of the HTSUS which is the product of any such territory. The value of the certificate is based on creditable wages paid and duty-free units shipped into the United States during the previous calendar year. Although the law specifically mentions the U.S. Virgin Islands, Guam and American Samoa, the issuance of the duty-refund certificate would also apply to the CNMI due to the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (Pub. L. 94–241), which states that goods from the CNMI are entitled to the same tariff treatment as imports from Guam. *See also* 19 CFR 7.2(a). In order to be considered a product of such territories, the jewelry must meet the U.S. Customs Service substantial transformation requirements (the jewelry must become a new and different article of commerce as a result of production or manufacture performed in the territory). To receive duty-free treatment, the jewelry must also satisfy the requirements of General Note 3(a)(iv) of the HTSUS and applicable Customs Regulations (19 CFR 7.3).

Proposed Amendments

We propose amending Subpart A § 303.2(a) by adding paragraph (a)(16) and Subpart B § 303.16(a) by adding paragraph (a)(11) to provide a definition for ''permanent resident'' in order to clarify the meaning of the term for purposes of the insular program. The program was designed to spur local employment by giving producers benefits based on creditable wages paid to local people who were permanently domiciled in the insular possessions. Therefore, the Annual Application (Form ITA–334P) has always required each applicant to state the wages paid to employees who did not reside and work in the territory for at least six months during the calendar year so that the wages paid to non-residents could be deducted from the total wages before the creditable wages benefits were calculated. The program was not designed to give benefits based on creditable wages paid to program owners, shareholders or employees who are not domiciled in the insular possessions. We propose a definition that would continue to provide producers with benefits based on creditable wages including the creditable wages paid to program workers who meet the permanent resident criteria which require a person with one or more residences outside the insular possessions to maintain his or her domicile in the insular possessions, to reside (*i.e.*, be physically present for at least 183 days per year) and work in the territory at a program company, and to maintain his or her principal office for day-to-day work in the insular possessions. There will continue to be no benefits based on wages paid to persons who do not meet these permanent resident criteria.

Administrative Law Requirements

Regulatory Flexibility Act

In accordance with the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, the Chief Counsel for Regulation at the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the proposed rule, if promulgated as final, will not have a significant economic impact on a substantial number of small entities. This rulemaking would clarify the meaning of ''permanent resident''. The clarification would have no economic impact on the companies since this would not be a change in policy and this would have no new burdens since there would be no new paperwork requirements.

Paperwork Reduction Act

This proposed rulemaking does not involve new collection-of-information requirements subject to review and approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995. Collection activities are currently approved by the