

proposed AD on U.S. operators is estimated to be \$2,220, or \$60 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 AD were not adopted.

### Regulatory Impact

The regulations proposed herein would not have substantial direct effects 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, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

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:

**Learjet, Inc.:** Docket 99–NM–15–AD.

**Applicability:** Model 31 and 31A airplanes, serial numbers 31–033, 31–105, 31–114, 31–

126, and 31–150 through 31–161 inclusive; Model 35 and 35A airplanes, serial numbers 35–065, 35–242, 35–300, 35–323, 35–447, 35–622, and 35–670; and Model 60 airplanes, serial numbers 60–029, 60–050, 60–120 through 60–139 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 (b) 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 failure of the spoiler actuator, which could result in the spoiler panel floating and inducing an uncommanded roll of the airplane, accomplish the following:

#### Inspection and Replacement

(a) Within 150 flight hours after the effective date of this AD, perform a visual inspection to determine the serial number of the spoiler actuators, in accordance with Learjet Service Bulletins SB 31–27–19, dated December 14, 1998 (for Model 31 and 31A airplanes); SB 35–27–36, dated December 14, 1998 (for Model 35 and 35A airplanes); or SB 60–27–21, dated December 14, 1998 (for Model 60 airplanes); as applicable.

(1) If the serial number is not listed in the applicable service bulletin, no further action is required by this AD.

(2) If the serial number is listed in the applicable service bulletin, prior to further flight, replace the spoiler actuators with new actuators in accordance with the Accomplishment Instructions of the applicable service bulletin.

#### Alternative Methods of Compliance

(b) 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, Wichita Aircraft Certification Office (ACO), FAA, Small Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Wichita ACO.

**Note 2:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Wichita ACO.

#### Special Flight Permits

(c) 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 23, 1999.

**Vi L. Lipski,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 99–22396 Filed 8–27–99; 8:45 am]

BILLING CODE 4910–13–P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 99–NM–90–AD]

RIN 2120–AA64

### Airworthiness Directives; McDonnell Douglas Model DC–9 and C–9 (Military) 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 McDonnell Douglas Model DC–9 and C–9 (military) series airplanes. This proposal would require modification of the electrical power center and modification and overhaul of certain alternating current power relays. This proposal is prompted by reports indicating that the alternating current (AC) cross-tie relay shorted out internally, which caused severe smoke and burn damage to the relay, aircraft wiring, and adjacent panels. The actions specified by the proposed AD are intended to prevent a short in the cross-tie relay, which may result in in-flight electrical fires.

**DATES:** Comments must be received by October 14, 1999.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 99–NM–90–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Boeing Commercial Aircraft Group, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Technical Publications Business Administration, Dept. C1–L51 (2–60). This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind

Avenue, SW., Renton, Washington; or at the FAA, Transport Airplane Directorate, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California.

**FOR FURTHER INFORMATION CONTACT:** Elvin Wheeler, Aerospace Engineer, Systems and Equipment Branch, ANM-130L, FAA, Transport Airplane Directorate, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712-4137; telephone (562) 627-5344; fax (562) 627-5210.

**SUPPLEMENTARY INFORMATION:**

**Comments Invited**

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

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 notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 99-NM-90-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. 99-NM-90-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

**Discussion**

The FAA has received reports indicating that the alternating current cross-tie relay shorted out internally on McDonnell Douglas Model DC-9 series airplanes, which caused severe smoke and burn damage to the relay, aircraft wiring, and adjacent panels.

Investigation revealed that the electrical fire originated within the cross-tie relay of the power distribution system. The cause of this incident has been attributed to a phase-to-phase short within the relay. This condition, if not corrected, could result in in-flight electrical fires.

**Explanation of Relevant Service Information**

The FAA has reviewed and approved McDonnell Douglas DC-9 Service Bulletin 24-57, Revision 1, dated March 12, 1980, as amended by Change Notification 24-57 R1 CN2, dated June 24, 1988, which describes procedures for modification of the electrical power center. The modification of the electrical power center involves installation of two terminal boards, two nameplates, fourteen clamps, six current limiters, a mount assembly, two zees near the alternating current cross tie relay, and three spare alternating current cross tie relay current limiters and nameplate.

The FAA also has reviewed Westinghouse Aerospace Service Bulletin 75-703, dated June 1977, which describes procedures for modification and overhaul of certain alternating current power relays. The modification of certain alternating current power relays involves removal of part number 914F567-3 and installation of a -4 configuration.

The FAA also has reviewed McDonnell Douglas DC-9 Service Bulletin DC9-24-156, dated March 31, 1995, which describes procedures for replacement of the relays, P/N 914F567-3 or -4, with improved relays, P/N 9008D09.

Accomplishment of the actions specified in the service bulletins 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 bulletins described previously.

**Cost Impact**

There are approximately 924 McDonnell Douglas DC-9 and C-9 (military) series airplanes of the affected design in the worldwide fleet. The FAA estimates that 392 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 7 work hours per airplane (for Group I, 316 airplanes),

and 3 work hours per airplane (for Group II, 76 airplanes), to accomplish the proposed actions, and that the average labor rate is \$60 per work hour. Required parts would cost approximately \$490 per airplane. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be \$287,560, or \$910 per airplane (for Group I airplanes), and \$50,920, or \$670 per airplane (for Group II airplanes), per modification.

The cost impact figures discussed above are 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 AD were not adopted.

**Regulatory Impact**

The regulations proposed herein would not have substantial direct effects 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, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

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 99–NM–90–AD.

**Applicability:** Model DC–9 and C–9 (military) series airplanes, as listed in McDonnell Douglas DC–9 Service Bulletin 24–57, Revision 1, dated March 12, 1980; 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 a short in the cross-tie relay, which may result in in-flight electrical fires, accomplish the following:

#### Modification

(a) Within 12 months after the effective date of this AD, modify the electrical power center in accordance with McDonnell Douglas DC–9 Service Bulletin 24–57, Revision 1, dated March 12, 1980, as amended by Change Notification 24–57 R1 CN2, dated June 24, 1988, and accomplish the requirements specified in paragraph (a)(1) or (a)(2) of this AD.

(1) Modify the Westinghouse alternating current power relays, part number (P/N) 914F567–3 (i.e., cross-tie relays, generator relays, auxiliary power relays, and external power relays), to a –4 configuration, in accordance with Westinghouse Aerospace Service Bulletin 75–703, dated June 1977.

(2) Replace the Westinghouse alternating current power relays, P/N 914F567–3 or –4 with improved relays, P/N 9008D09, in accordance with McDonnell Douglas DC–9 Service Bulletin DC9–24–156, dated March 31, 1995.

#### Overhaul

(b) Overhaul the Westinghouse alternating current power relays, in accordance with Westinghouse service bulletin 75–703, dated June 1977, at times specified in paragraph (b)(1) or (b)(2) of this AD, as applicable.

(1) For airplanes equipped with Westinghouse relay, P/N 914F567–4, within 7,000 flight hours after accomplishing the modification required by paragraph (a) of this AD, overhaul the relay and repeat the overhaul at intervals not to exceed 7,000 flight hours.

(2) For airplanes equipped with Westinghouse relay, P/N 9008D09, within 12,000 flight hours after accomplishing the

modification required by paragraph (a) of this AD, overhaul the relay and repeat the overhaul at intervals not to exceed 12,000 flight hours.

#### 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, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles ACO.

**Note 2:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

#### Special Flight Permits

(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 23, 1999.

**Vi L. Lipski,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 99–22395 Filed 8–27–99; 8:45 am]

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## COMMODITY FUTURES TRADING COMMISSION

### 17 CFR Part 1

#### Use of Electronic Signatures by Customers, Participants and Clients of Registrants

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Proposed rules.

**SUMMARY:** As part of its ongoing efforts to facilitate the use of electronic technology and media in the futures industry, the Commodity Futures Trading Commission (“Commission” or “CFTC”) is proposing to adopt new rules allowing the use of electronic signatures in lieu of handwritten signatures for certain purposes under the Commission’s regulations.<sup>1</sup> The Commission seeks comment on these rules and on issues relating generally to the use of electronic media for communications necessary to establish an account for trading commodity interests.

**DATES:** Comments must be received on or before October 29, 1999.

<sup>1</sup> Commission regulations referred to herein are found at 17 CFR Ch. 1 *et seq.* (1999).

**ADDRESSES:** Comments should be mailed to Jean A. Webb, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581; transmitted by facsimile to (202) 418–5521; or transmitted electronically to (secretary@cftc.gov). Reference should be made to “Internet Account-Opening Process.”

**FOR FURTHER INFORMATION CONTACT:** Lawrence B. Patent, Associate Chief Counsel, or Christopher W. Cummings, Special Counsel, Division of Trading and Markets, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581. Telephone (202) 418–5430.

#### SUPPLEMENTARY INFORMATION:

### I. Introduction

#### A. Background

Notwithstanding the rapid pace at which business transactions of all kinds are being converted from paper-based to electronic formats, the opening of accounts to trade investment products in the commodity futures and option markets continues to involve exchange of paperwork between the broker and the customer. Strictly speaking, there is nothing in the Commodity Exchange Act (the “Act”)<sup>2</sup> and the Commission’s regulations issued thereunder that prevents a futures commission merchant (“FCM”) or introducing broker (“IB”) from opening electronically a customer account. There are ancillary rules, however, that effectively require the parties to exchange paper, such as the requirement that the FCM or IB obtain a signed acknowledgment that the customer has received the required risk disclosure statement,<sup>3</sup> or the requirement that an agreement to arbitrate disputes be entered into by a separate signature from that which executes the account agreement.<sup>4</sup> In the current session of Congress, several bills have been introduced to authorize the use of electronic signatures.<sup>5</sup> In addition, the National Conference of Commissioners on Uniform State Laws has prepared a “Uniform Electronic Transactions Act” (“UETA”) with the goal that it will be adopted by the States, giving legal certainty to

<sup>2</sup> 7 U.S.C. 1 *et seq.* (1994).

<sup>3</sup> See Rule 1.55(a)(1).

<sup>4</sup> See Rule 180.3(b)(6).

<sup>5</sup> See Senate Bills 761 (“Millennium Digital Commerce Act”) and 921 (“Electronic Securities Transactions Act”) and House Resolutions 1572 (“Digital Signature Act of 1999”), 1685 (“Internet Growth and Development Act of 1999”) and 1714 (“Electronic Signatures in Global and National Commerce Act”).