obtain a copy of the proposal and associated collection instruments, please write to the above address, or call Mr. Roger Golden, Office of the Director, International Cooperation, (703) 695–0271.

Title, Associated Form, and OMB Number: Defense Export Loan Guarantee (DELG) Application, DD Form 2747, OMB Control Number 0704–0391.

Needs and Uses: The collection of information is necessary to review and process applications for loan guarantees issued under 10 U.S.C. 2540 for defense exports.

Affected Public: Businesses or other for profit, Small businesses or organizations.

Annual Burden Hours: 20.

Number of Respondents: 20.

Responses to Respondent: 1.

Average Burden per Response: 1 Hour.

Frequency: On occasion.

SUPPLEMENTARY INFORMATION:

Summary of Information Collection

Respondents are defense suppliers or exporters, lenders or nations, who are requesting a DoD guarantee of a private sector loan in support of the sale or long term lease, to certain eligible countries, of U.S. defense articles, services or design and construction services. The completed form will enable the department to determine whether the proposed transaction meets statutory guidance for program implementation.

Dated: April 6, 2000.

Patricia L. Toppings,

Alternate OSD Federal Register, Liaison Officer, Department of Defense.

[FR Doc. 00–9062 Filed 4–11–00; 8:45 am]

BILLING CODE 5001–10–M

DEPARTMENT OF DEFENSE

Office of the Secretary

New Challenge Program

AGENCY: Department of Defense (DoD).

ACTION: Notice.

SUMMARY: Section 812 of the National Defense Authorization Act for Fiscal Year 2000 (Pub. L. 106–65) requires DoD to implement ‘‘a plan to provide for increased innovative technology for acquisition programs of the Department of Defense from commercial private sector entities, including small-business concerns.’’ To accomplish this, DoD will implement at new ‘‘Challenge’’ program on a pilot basis in at least 20 Acquisition Category 1 or 2 programs, starting in fiscal year 2001. A full description of the new program is discussed under Supplementary Information. DoD seeks comments on the program, particularly on such issues as: (i) Program implementation during the pilot period; (ii) criteria for evaluating the pilot program; and (iii) consideration in deciding whether and how to continue the program after the pilot period.

DATES: Comments are due no later than May 12, 2000.

FOR FURTHER INFORMATION CONTACT: Jon Baron, OUSD(AT&L)/SADBU, 1777 North Kent Street, Suite 9100, Arlington, VA 22209; telephone (703) 588–8636; facsimile (703) 588–7561; email baronj@acq.osd.mil.

SUPPLEMENTARY INFORMATION: The Under Secretary of Defense for Acquisition, Technology, and Logistics has approved the recommendation of an Integrated Product Team that DoD implement a new ‘‘Challenge’’ program on a pilot basis in at least 20 Acquisition Category (ACAT) 1 or 2 programs. A summary of the Team's main findings; the provision it has developed for inclusion in the solicitations of participating acquisition programs; and the procedures for acquisition program office implementation of the Challenge program follow.

The Under Secretary of Defense for Acquisition, Technology, and Logistics will request that each Military Department nominate for participation in the pilot (i) by June 1, 2000, at least four ACAT 1 or 2 programs that will initiate a contracting action for a new phase of the program in FY 2001; and (ii) by June 1, 2001, at least 3 other ACAT 1 or 2 programs that will initiate a contracting action for a new phase of the program in FY 2002. The Military Departments will be asked to include among their nominations competitive and sole-source development programs and production programs (especially production programs involving significant modifications) and, if desired, a maintenance program. In order to facilitate a systematic evaluation of the pilot effort, the Military Departments will be asked to identify, for each nominated program, an acquisition program of similar size, scope, and phase of acquisition to participate in a control group.

The Under Secretary of Defense for Acquisition, Technology, and Logistics asked the Director of the Office of Small and Disadvantaged Business Utilization (SADBU) to coordinate this initiative and report on its implementation on a semi-annual basis. The Military Departments will be asked to provide their Department's nominated programs to Jon Baron (tel. 703/588–8636; fax 703/588–7561; email baronj@acq.osd.mil) by the designated dates. For each nominee, the Military Departments will be asked to identify both the acquisition program manager and a point of contact in the responsible Program Executive Office.

In addition, the Under Secretary of Defense for Acquisition, Technology, and Logistics asked the Director, SADBU, in consultation with the Military Departments, to develop metrics of the effectiveness of the pilot program and to arrange for an independent evaluation of the program. The evaluation should include a preliminary report by May 1, 2002 addressing (i) whether the program appears to be accomplishing its goals, and (ii) whether and how the program should be continued after the pilot period.

Summary of the Team's Main Findings and Goals

Main findings: After the competition in an acquisition program has ended and a prime contractor is selected for contract award, that prime contractor generally faces little competitive pressure to bring innovative new technologies from commercial firms into the program.

Indeed, the Team found that, in some cases, the prime contractors resist the adoption of outside technologies or seek to bring subsystem work-in-house, even when there are more capable and innovative sources outside the firm. This finding is consistent with the results of a 1997 Defense Science Board study, which found that DoD's vertically-integrated prime contractors have economic incentives to use in-house suppliers in ways that are at odds with DoD's interest in fostering competition and innovation at the subsystem level.

In this respect, defense procurement markets differ significantly from competitive commercial markets, where there are competitive pressures to bring innovative new technologies into a program throughout development and production, and to outsource when stronger capabilities exist outside the firm.

Based on its findings, the Team developed a set of recommendations designed to:

(i) Foster competition among alternative technological approaches and suppliers wherever possible in the development of subsystems of DoD acquisition programs. The rationale is that such competition is needed to create the incentives for the development and rapid insertion into acquisition programs of technological innovations developed by commercial firms, including small technology companies.

(ii) Create other incentives and opportunities for insertion of new technology during the course of an acquisition program (*e.g.,* technology upgrade cycles).

The Team recommended a provision to be inserted into the solicitations of DoD acquisition programs and a set of procedures for acquisition program office implementation of the Challenge program.

Provision To Be Inserted Into the Solicitations of Acquisition Programs

I. This Acquisition Program Is Participating in the New "Challenge" Program, Based on Section 812 of Public Law 106–65

The Challenge program, as approved for implementation by the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)), is designed to:

(A) Foster competition among alternative technological approaches and suppliers wherever possible in the development of subsystems of DoD acquisition programs. The rationale is that such competition is needed to create the incentives for the development and rapid insertion into acquisition programs of technological innovations developed by commercial firms, including small technology companies. These innovations are essential to reducing the cost and improving the performance of acquisition programs.

(B) Create other incentives and opportunities for insertion of new technology throughout the acquisition cycle.

II. As Part of the Challenge Program, Your Firm Is Required To Submit a Brief Innovative Technology Insertion Plan as Part of Its Proposal (No More Than Five Pages in Length)

In the Insertion Plan, please describe how your firm plans to implement the following practices, which are encouraged to foster subtier competition and technology insertion from commercial firms:

(A) *Competitive sourcing of subsystem development and production.* Please list the 10 subsystems involving the largest expenditure of federal funds under this contract, and also any other subsystems that offer significant opportunities for technology insertion. (Please show the expected federal funding associated with each listed subsystem.) Indicate:

(a) Which of these subsystems your firm will award to another firm (unaffiliated with your firm) that has already been selected through a competitive process; and

(b) Which of these subsystems your firm will award to a source that will be selected in the future through a competitive process.

(B) *Adaptability of the acquisition program and its subsystems, through such features as open-system architecture, to enable a wide array of competing approaches to the subsystems' design and production.* Please describe the adaptability of the acquisition program and the proposed subsystems listed in (A).

(C) *Technology upgrade cycles, to foster the insertion of new cost-saving and performance-enhancing technologies into the acquisition program and its subsystems through the course of the contract.* For the acquisition program and the subsystems listed in (A), please describe (i) the features that will be subject to technology upgrade cycles, and (ii) the nature of those cycles and the extent to which they will involve competitive sourcing.

(D) Subcontracting of the RDT&E effort to small technology companies, which are a particularly potent source of innovation and effective vehicle for technology insertion. Please indicate the total amount of RDT&E funding provided under the contract that your firm plans to outsource to small businesses, as defined in 13 CFR 121.702 to include firms which employ not more than 500 employees, including affiliates, and which are at least 51 percent owned and controlled by U.S. citizens or permanent resident aliens.

Please also identify incentives that your firm would like to be included in the contract to facilitate successful implementation of the Insertion Plan, including (i) an award fee, or an award-fee bonus, that is based on your firm's progress in successfully implementing the Insertion Plan; and/or (ii) (for production or maintenance contracts:) opportunities for your firm to share significantly in the cost savings and performance benefits resulting from the technology insertion, through such mechanisms as Value Engineering Change Proposals. Where appropriate, identify the technologies or subsystems to which these incentives might be applied.

III. If Your Firm's Proposal Is Selected for Contract Award, Its Insertion Plan Will Be Included as a Requirement in the Contract. The Contract Will Also Provide That

(A) Your firm establish a comparable Challenge program and process in awarding subcontracts for the major subsystems (i.e., those expected to involve an expenditure for RDT&E of more than $25 million, or for procurement of more than $75 million under this contract).

(B) Your firm's Insertion plan, and the Insertion Plan of your firm's major subsystem suppliers, be publicly released on the USD(AT&L) web site, so that potential offerors are made aware of the competitive opportunities that are available.

(C) Your firm receive significant incentives for successful implementation of its Insertion Plan, as described in the last paragraph of Section II.

(D) Your firm provide written notification to the acquisition program office, with a copy to the Office of the USD(AT&L) (attn: *baronj@acq.osd.mil*), before undertaking actions including the following that may be incompatible with the Insertion Plan in the contract:

(a) Your firm proposes not to competitive source a subsysten or upgrade designated for competitive sourcing in its Insertion Plan, and instead to use in-house source;

(b) Your firm's competitive sourcing results in the proposed selection of an in-house supplier; or

(c) Your firm proposes to reduce the amount of RDT&E funds designated in the Insertion Plan for outsourcing to small technology companies. Such proposed actions may not be undertaken without government approval.

(E) Your firm submit a brief annual report (no more than five pages) on its progress in implementing the Insertion Plan to both the acquisition program office and the Office of the USD(AT&L)(attn: *baronj@acq.osd.mil*), for inclusion in the Challenge program's report to the USD(AT&L).

Procedures for Acquisition Program Office Implementation of the Challenge Program

(A) Please include the provision above (or a reasonable variation containing its main elements) in your Office's program solicitation to potential offerors.

(B) *In competitive acquisitions,* include the quality of the Innovative Technology Insertion Plan as a significant source selection criterion, with the specific weighting to be determined by the contracting officer in conjunction with the source selection authority.

In sole-source acquisitions, the Insertion Plan of the offeror is subject to an independent review before contract award by a panel appointed by the Program Executive Officer (or equivalent individual) under whom this acquisition program falls, who is encouraged to include significant participation from individuals outside the acquisition program office. The review panel will—

(a) Where feasible, use the Insertion Plans developed in other, competitive acquisitions as a benchmark for assessing the sole-source offeror's Innovation Plan; and

(b) Provide specific recommendations to the acquisiton program manager and the contracting officer on whether and how the offeror's Insertion Plan should be improved before it is included in the contract.

The reviewers' recommendations and the extent to which they are implemented in the contract, will be included in the Challenge program's report to the USD(AT&L).

(C) For the firm that is selected for contract award, include as requirements of the contact (i) the firm's Innovative Technology Insertion Plan, and (ii) the items listed in Section III of the solicitation provision above. The acquisition program office is particularly encouraged to work with the contractor to include in the contract significant positive incentives for successful implementation of the Insertion Plan, as discussed in Section III (C) of the solicitation provision.

(D) If, after contract award, the contractor proposes, through written notification (per Section III (D) of the solicitation provision), to undertake actions that may be incompatible with its Insertion Plan, such actions are subject to government review and approval through the following process.

(a) The acquisition program office, after consultation with the Office of the USD(AT&L) (POC: Jon Baron,OUSD(AT&L)/SADBU, tel. 703/588–8636, fax 703/588–7561, email baronj@acq.osd.mil), will make an initial determination of whether the proposed action potentially represents a non-trivial deviation from the letter or intent of the Insertion Plan contract.

(b) If such a determination is made, the proposed action will be subject to an independent review by a panel (i) appointed by the Program Executive Officer (or equivalent individual) under whom this acquisition program falls, and (ii) consisting of individuals outside the acquisition program office. The contractor will be asked to show that conditions have significantly changed since the contract was awarded, such that there are substantial and compelling reasons why the potential supplier base cannot now adequately meet the requirement. The contractor's proposed action and rationale will be publicly released for comment by potential suppliers and others. Based on such inputs and the criterion described above, the reviewers will make a formal recommendation to the acquisition program manager and the contracting officer on whether to approve or disapprove the proposed action. The reviewers' recommendation, and the contracting officer's resulting action, will be included in the Challenge program's report to the USD(AT&L).

Dated: April 4, 2000.

Patricia L. Toppings.

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 00–9061 Filed 4–11–00; 8:45 am]

BILLING CODE 5001–10–M

DEPARTMENT OF DEFENSE

Department of the Navy

Notice of Availability of Inventions for Licensing; Government-Owned Inventions

AGENCY: Department of the Navy, DOD.

ACTION: Notice.

SUMMARY: The inventions listed below are assigned to the United States Government as represented by the Secretary of the Navy and are available for licensing by the Department of the Navy.

U.S. Patent Application Serial No. 09/296,802 entitled ''An Interactive Communication System Permitting Increased Collaboration Between Users'', filing date: April 23, 1999, Navy Case No. 78947.

U.S. Patent Application Serial No. 09/296,746 entitled ''Computer Software for Converting A General Purpose Computer Network Into An Interactive Communications System'', filing date: April 23, 1999, Navy Case No. 79258.

U.S. Patent Application Serial No. 09/296,757 entitled ''A Method for Facilitating Collaborative Development Efforts Between Widely Dispersed Users'', filing date: April 23, 1999, Navy Case No. 79259.

ADDRESSES: Requests for copies of the patent applications cited should be directed to the Naval Surface Warfare Center, Dahlgren Laboratory, Code CD222, 17320 Dahlgren Road, Building 183, Room 015, Dahlgren, VA 22448–5100, and must include the Navy Case number.

FOR FURTHER INFORMATION CONTACT: James B. Bechtel, Patent Counsel, Naval Surface Warfare Center, Dahlgren Laboratory, Code CD222, 17320 Dahlgren Road, Building 183, Room 015, Dahlgren, VA 22448–5100, telephone (540)–653–8061.

(Authority: 35 U.S.C. 207, 37 CFR Part 404).

Dated: March 28, 2000.

J.L. Roth,

Lieutenant Commander, Judge Advocate General's Corps U.S. Navy, Federal Register Liaison Officer.

[FR Doc. 00–9016 Filed 4–11–00; 8:45 am]

BILLING CODE 3810–FF–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP99–176–015]

Natural Gas Pipeline Company of America; Notice of Proposed Change in FERC Gas Tariff

April 6, 2000.

Take notice that on April 3, 2000, Natural Gas Pipeline Company of America (Natural) tendered for filing to be a part of its FERC Gas Tariff, Sixth Revised Volume No. 1, Original Sheet No. 261, to be effective April 1, 2000.

Natural states that the purpose of this filing is to implement a negotiated rate transaction with Duke Energy Trading and Marketing Services, L.L.C. (Duke) under Rate Schedules FTS pursuant to Section 49 of the General Terms and Conditions of Natural's Tariff. Natural states that it has filed by a separate filing the executed negotiated rate agreement between Natural and Duke.

Natural requests waiver of the Commission's Regulations to the extent necessary to permit Original Sheet No. 261 to become effective April 1, 2000.

Natural states that copies of the filing are being mailed to its customers, interested state commissions and all parties set out on the Commission's official service list in Docket No. RP99–176.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Sections 385.214 or 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed in accordance with Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the