Servicing the Shock Struts

(b) Prior to the accumulation of 1,500 total flight cycles since the date of manufacture, or within 500 flight cycles after the effective date of this AD, whichever occurs later: Perform a servicing (Oil and Nitrogen) of the MLG shock struts (left and right main landing shock struts), in accordance with Part C (for airplanes on the ground) or Part D (for airplanes on jacks) of the Accomplishment Instructions of the Bombardier Alert Service Bulletin A601R–32–079, Revision D, dated December 1, 2000.

Other Inspections

(c) Within 500 flight cycles after completing the actions required by paragraph (b) of this AD: Perform an inspection of the MLG left and right shock struts for nitrogen pressure, visible chrome dimension, and oil leakage, in accordance with Part E of the Accomplishment Instructions of Bombardier Alert Service Bulletin A601R–32–079, Revision D, dated December 1, 2000. Thereafter, repeat the inspection at intervals not to exceed 500 flight cycles.

Corrective Actions for Certain Inspections

(d) If the chrome extension dimension of the shock strut pressure reading is outside the limits specified in the Airplane Maintenance Manual, Task 32–11–05–220–801, or any oil leakage is found: Prior to further flight, service the MLG shock strut in accordance with Part C (for airplanes on the ground) or Part D (for airplanes on jacks) of the Accomplishment Instructions of Bombardier Alert Service Bulletin A601R–32–079, Revision D, dated December 1, 2000.

Extension of the Repetitive Interval

(e) After the effective date of this AD: After a total of five consecutive inspections of the MLG shock struts that verify that the shock struts are serviced properly, and a total of five consecutive eddy current inspections of the MLG main fitting has been accomplished that verify there is no cracking of the main fitting, in accordance with Bombardier Alert Service Bulletin A601R–32–079, Revision D, dated December 1, 2000, the repetitive interval for the eddy current inspections required by paragraph (a) of this AD may be extended from every 500 flight cycles to every 1,000 flight cycles.

Reporting Requirement

(f) Within 30 days after each inspection and servicing required by paragraphs (a), (b), and (c) of this AD, report all findings, positive or negative, to: Bombardier Aerospace, Regional Aircraft, CRJ Action Desk, fax number 514–855–8501. Information collection requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*) and have been assigned OMB Control Number 2120–0056.

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, New York 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, New York ACO.

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

Special Flight Permits

(h) Special flight permits may be issued in accordance with §§ 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.

Note 3: The subject of this AD is addressed in Canadian airworthiness directive CF–1999–32R1, dated January 22, 2001.

Issued in Renton, Washington, on March 15, 2001.

Donald L. Riggin,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 01–7174 Filed 3–22–01; 8:45 am]

BILLING CODE 4910–13–P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 257

[Release No. 35–27357; File No. S7–07–01]

RIN 3235–AI12

Electronic Recordkeeping by Public Utility Holding Companies

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rule.

SUMMARY: The Securities and Exchange Commission is proposing for public comment amendments to revise rules under the Public Utility Holding Company Act of 1935 regarding recordkeeping requirements for registered public utility holding companies and mutual or subsidiary service companies. The current rules were most recently updated in 1984 and allow regulated companies to preserve records using storage media such as paper, magnetic tape, and microfilm. The proposed amendments would expand the approved recordkeeping methods to allow the use of modern information technology resources. The Commission is proposing these rule amendments in response to the passage of the Electronic Signatures in Global and National Commerce Act, which encourages federal agencies to accommodate electronic recordkeeping.

DATES: Comments must be received on or before April 23, 2001.

ADDRESSES: Comments should be submitted in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 5th Street, NW., Washington, DC 20549–0609. Comments also may be submitted electronically at the following E-mail address: rulecomments@sec.gov. All comment letters should refer to File No. S7–07–01; this file number should be included in the subject line if E-mail is used. Comment letters will be available for public inspection and copying in the Commission's Public Reference Room, 450 5th Street, NW., Washington, DC Electronically submitted comment letters also will be posted on the Commission's Internet web site (http://www.sec.gov).[1]

FOR FURTHER INFORMATION CONTACT: Catherine A. Fisher, Assistant Director, Robert P. Wason, Chief Financial Analyst, or Victoria J. Adraktas, Attorney-Advisor, Office of Public Utility Regulation, (202) 942–0545, Division of Investment Management, Securities and Exchange Commission, 450 5th Street, NW., Washington, DC 20549–0503.

SUPPLEMENTARY INFORMATION: The Securities and Exchange Commission (''Commission'') today is requesting public comment on proposed amendments to rule 1 (17 CFR 257.1),[2] regarding the preservation and destruction of records of registered public utility holding companies and of mutual and subsidiary service companies, under the Public Utility Holding Company Act of 1935 [15 U.S.C. 79] (''Holding Company Act'').

Executive Summary

Federal law requires registered public utility holding companies and their mutual or subsidiary service companies to make and keep books and records.[3] The recordkeeping requirements are a key part of the Commission's public utility holding company regulatory program because they allow us to monitor the operations of companies and to evaluate their compliance with federal law. The recordkeeping rules permit records to be preserved and maintained using storage media such as paper, magnetic tape, and microfilm.

Last year, Congress passed the Electronic Signatures in Global and

[1] We do not edit personal identifying information, such as names or E-mail addresses, from electronic submissions. Submit only information you wish to make publicly available.

[2] Unless otherwise noted, all references to rule 1 will be to 17 CFR 257.1.

[3] ''Company'' or ''companies'' means a service company subject to 17 CFR 250.93, or a holding company subject to 17 CFR 250.26, which is not an electric utility company or a gas utility company, and any predecessor or inactive or dissolved associate company, the records of which are in the possession or control of such company.

National Commerce Act (''Electronic Signatures Act,'' ''Act,'' or ''ESIGN'') to facilitate the use of electronic records and signatures in interstate and foreign commerce.[4] Consistent with the purpose and goals of the Electronic Signatures Act, we are proposing rule amendments to expand the circumstances under which companies may keep their records on electronic storage media. We are also proposing amendments to clarify and update our recordkeeping rules. The proposal is designed to update rule 1 to reflect and accommodate companies' use of modern information technology resources to maintain and index records.

I. Discussion

A. Amendments to Rule 1

Rule 1 provides that companies may keep records in a variety of specified formats.[5] In particular, subparagraphs (e) through (h) of the rule permit companies to store records on a variety of media, including paper, magnetic or punch tape, microforms, and metallic recording data strips. The rule also permits companies to convert paper records to media permitted by the rule if certain certifications and other requirements are met. When we proposed the amendments to the rules in 1983, we noted that ''[i]mportant technological changes in data preservation systems'' [6] resulted in a need to revise our regulations governing the maintenance of required records. We also noted that our proposed amendments were ''not intended to restrict further developments.'' Nonetheless, in light of the advances in information technology since the rule was promulgated in 1984 and in particular the rapid changes in technology in recent years, we again believe that we should revise the standards for permissible recordkeeping media to allow the use of current electronic recordkeeping and storage resources in maintaining required records.[7] Moreover, because the proposed amendments do not specify the use of any particular technologies, they should allow for the adoption of new technologies in the future.

We are also proposing to adopt amendments to the recordkeeping rules to clarify the obligation of companies to provide copies of their records to Commission examiners. Currently the rules require that records ''shall be so arranged, filed, and currently indexed that such records be readily available for inspection * * *'' The proposed amendments would make clear that (i) ''readily available'' means in no case more than one business day after the request; (ii) printouts or copies of a storage medium include legible, true, and complete printouts or copies of the records (or the information necessary to generate the record) in the medium and format in which it is stored; and (iii) the company must provide a means to access, search, view, sort, and print the records. Comment is requested on these proposals as well as on whether our rules should be amended in other ways to accommodate electronic recordkeeping?

B. Interpretation of Electronic Signatures Act

Under the Electronic Signatures Act, an agency's recordkeeping requirements may be met by retaining electronic records that accurately reflect the information set forth in the record, and remain accessible to all persons who are entitled to access, in a format that can be accurately reproduced.[8] The Act allows us to interpret this provision pursuant to our authority under the Holding Company Act.[9] We anticipate that upon adoption of these amendments, we will interpret the Electronic Signatures Act as requiring companies to comply with rule 1 when they keep electronic records.

Our interpretation of the Electronic Signatures Act must be based on findings that (i) the regulations are substantially justified; (ii) the methods selected to carry out our purposes are substantially equivalent to the requirements imposed on records that are not electronic records and will not impose unreasonable costs on the acceptance and use of electronic records; and (iii) the methods selected to carry out our purposes do not require, or accord greater legal status or effect to, the implementation or application of a specific technology or technical specification for performing the functions of creating, storing, generating, receiving, communicating, or authenticating electronic records or electronic signatures.[10]

The Electronic Signatures Act's principles of accuracy and accessibility are consistent with the requirements of rule 1. Our requirements that companies store separately duplicate copies of their records, and maintain procedures to safeguard them from loss, alteration, or destruction protect the integrity of the records and assure that the records are ''accurate.'' If a company separately stores a duplicate copy of its records, then if one copy is altered or damaged there will still be an accurate backup copy. Procedures to safeguard records from loss, alteration, or destruction make it possible for companies and us to be reasonably confident that the records have not been changed in ways that cannot otherwise be detected. Our requirements that companies arrange and index records, and that they be ready to provide printouts or copies of the records, make those records accessible. Companies may keep many records. Those records are not truly accessible unless there is an index system that makes it possible to find a particular record. The records are also not truly accessible if they cannot be printed out or copied for later use.

We request comment on whether rule 1, as proposed to be amended, is consistent with the requirements of the Electronic Signatures Act.

II. General Request for Comments

We request comment on the proposed rule amendments that are the subject of this release, suggestions for additional provisions or changes to the rule, and comments on other matters that might have an effect on the proposals contained in this release.

III. Cost/Benefit Analysis

We are considering the costs and the benefits of the proposed amendments to rule 1. The primary benefit of the rule is the improved transparency and flexibility of our recordkeeping rules.

We do not believe the proposals will impose any costs on companies. As described above, the proposals would

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[4] Electronic Signatures in Global and National Commerce Act, Pub. L. 106–229 (*see* Preamble).

[5] Sections 15 and 20 of the Holding Company Act authorize the Commission to prescribe by rule the books and records that a public utility holding company and its subsidiary companies must maintain. 15 U.S.C. 79(o) and 79(t). Rule 26 (17 CFR 250.26) under the Holding Company Act specifies the types of records that must be kept. Rule 1 generally specifies where and for how long these records must be kept. Subsections (c) and (d) of rule 1 provide that records must be stored in a reasonably protected space and be ''readily available for inspection by authorized representatives of regulatory agencies concerned.''

[6] Proposed Rulemaking, Rules Governing the Preservation of Records of Registered Holding Companies and their Mutual or Subsidiary Service Companies,'' Release No. 35–23049 (Sept. 19, 1983) 48 FR 41779.

[7] We recognize that the standards for electronic recordkeeping we are proposing for registered public utility holding companies are different from rules we have adopted for broker-dealers, which require brokerage records to be preserved in a non-rewritable, non-erasable (WORM) format. There are, however, significant differences between the industries of which they are members. In addition, we have not experienced any significant problems with registered holding companies altering stored records. In light of these factors, the costs of requiring registered public utility holding companies to invest in new electronic recordkeeping technologies may not be justified.

[8] ESIGN section 101(d)(1).

[9] ESIGN section 104(b)(1).

[10] ESIGN section 104(b)(2)(C).

allow companies to maintain records in compliance with the relevant recordkeeping requirements in electronic storage media. Electronic storage is optional under the proposals. We assume that companies will not opt for the electronic storage option provided for in the proposals unless doing so is cheaper (or otherwise more efficient and, therefore, supported by business considerations). By contrast, we believe that there may be significant benefits to the proposals. As stated, because using electronic storage media is optional, we do not believe that companies will employ such media unless the benefits conferred by the option outweigh the costs and, therefore, electronic storage makes good business sense. It is our belief, therefore, that the proposals, if adopted would allow companies greater flexibility to make (business) decisions about recordkeeping and, when appropriate, opt for electronic storage with potential cost savings and other benefits.

We request comment on this analysis of the costs and benefits of the proposed rule amendments and invite commenters to submit their own estimates of costs and benefits that would result from the proposal. In order to evaluate fully the costs and benefits associated with the proposed amendment, we request that commenters' estimates of the costs and benefits of the proposed amendments be accompanied by specific empirical data supporting their estimates.

IV. Paperwork Reduction Act

The proposals do not require a new collection of information. They affect only the manner in which, pursuant to rule 1, registrants can store the information that must be collected under rule 26 (17 CFR 250.26). In connection with rule 26, the Commission submitted to the Office of Management and Budget, pursuant to the Paperwork Reduction Act, a request for approval and received an OMB control number for the rule, OMB Control No. 3235–0183.

V. Regulatory Flexibility Act Certification

Pursuant to section 605(b) of the Regulatory Flexibility Act (U.S.C. 605(b)), the Chairman of the Commission has certified that the proposed amendment would not, if adopted, have a significant economic impact on a substantial number of small entities. The amendment would enable registered public utility holding companies and their mutual or subsidiary service companies to retain certain books and records in electronic format so long as the electronic record is accurate and accessible to those entitled to access it. The amendment is designed to facilitate the use of electronic media to fulfill the recordkeeping requirements under the Holding Company Act. The proposed rule amendment would have no economic impact on small entities because it would apply only to public utility holding companies registered under the Holding Company Act and mutual or subsidiary service companies of those registered holding companies. According to rule 110 (17 CFR 250.110) under the Holding Company Act, for purposes of compliance with the Regulatory Flexibility Act, a ''small business'' or ''small organization'' is defined as ''a holding company system whose gross consolidated revenues from sales of electric energy or of natural or manufactured gas distributed at retail for its previous fiscal year did not exceed $1,000,000.'' None of the public utility holding companies currently registered under the Holding Company Act fit the definition of ''small business'' or ''small organization'' and are unlikely to do so in the future, as operating revenues for the previous year for all holding company systems significantly exceeded rule 110's $1,000,000 maximum. A signed copy of the certificate is attached to this document as an Appendix.

Statutory Authority

The Commission is proposing amendments to rule 1 of the Holding Company Act pursuant to authority set forth in sections 15 and 20(a) of the Holding Company Act (15 U.S.C. 79(o) and 15 U.S.C. 79(t)).

List of Subjects in 17 CFR Part 257

Holding companies, Reporting and recordkeeping requirements.

Text of Proposed Rule Amendments

For reasons set forth in the preamble, Title 17, Chapter II of the Code of Federal Regulations is proposed to be amended as follows:

PART 257—PRESERVATION AND DESTRUCTION OF RECORDS OF REGISTERED PUBLIC UTILITY HOLDING COMPANIES AND OF MUTUAL AND SUBSIDIARY SERVICE COMPANIES

1. The authority citation for Part 250 is added to read as follows:

Authority: 15 U.S.C. 79(o) and 79(t), unless otherwise noted.

2. The authority citations following §§ 257.1 and 257.2 are removed.

3. Section 257.1 is amended by:

a. Removing paragraphs (e) through (h);

b. Adding new paragraph (e); and

c. Redesignating paragraphs (i) through (m), as paragraphs (f) through (j).

The addition reads as follows:

§ 257.1 General instructions.

* * * * *

(e)(1) *Micrographic and electronic storage permitted.* The records required to be maintained and preserved under § 250.26 of this chapter may be maintained and preserved for the required time by, or on behalf of, a company on:

(i) Micrographic media, including microfilm, microfiche, or any similar medium; or

(ii) Electronic storage media, including any digital storage medium or system that meets the terms of this section.

(2) *General requirements.* The company, or person that maintains and preserves records on its behalf, must:

(i) Arrange and index the records in a way that permits easy location, access, and retrieval of any particular record;

(ii) Provide promptly (but in no case more than one business day after the request) any of the following that the Commission (by its examiners or other representatives) or the directors of the company may request:

(A) A legible, true, and complete copy of the record (or the information necessary to generate the record) in the medium and format in which it is stored;

(B) A legible, true, and complete printout of the record; and

(C) Means to access, search, view, sort, and print the records; and

(iii) Separately store, for the time required for preservation of the original record, a duplicate copy of the record stored on the micrographic or electronic storage media or any media allowed by this section.

(3) *Special requirements for electronic storage media.* In the case of records on electronic storage media, the company, or person that maintains and preserves records on its behalf, must establish and maintain procedures:

(i) To maintain and preserve the records, so as to reasonably safeguard them from loss, alteration, or destruction;

(ii) To limit access to the records to properly authorized personnel, the directors of the company, and the Commission (including its examiners and other representatives); and

(iii) To reasonably ensure that any reproduction of a non-electronic original record on electronic storage

media is complete and true, and legible when retrieved.

* * * * *

Dated: March 19, 2001.

By the Commission.

Jonathan G. Katz,

Secretary.

Note: The Appendix to the Preamble will not appear in the Code of Federal Regulations.

Appendix A; Regulatory Flexibility Act Certification

I, Laura Unger, Acting Chairman of the Securities and Exchange Commission, hereby certify pursuant to 5 U.S.C. 605(b) that changes to rule 1 [17 CFR 257.1] under the Public Utility Holding Company Act of 1935 (''Act''), as amended, would not, if adopted, have a significant economic impact on a substantial number of small entities in the United States:

The proposed rule amendment would have no economic impact on small entities because it would apply only to public utility holding companies registered under the Act and mutual or subsidiary service companies of those registered holding companies. According to rule 110 [17 CFR 250.110] under the Act, for purposes of compliance with the Regulatory Flexibility Act, a ''small business'' or ''small organization'' is defined as ''a holding company system whose gross consolidated revenues from sales of electric energy or of natural or manufactured gas distributed at retail for its previous fiscal year did not exceed $1,000,000.'' None of the public utility holding companies currently registered under the Act fit the definition of ''small business'' or ''small organization'' and none are unlikely to do so in the future, as operating revenues for the previous year for all holding company systems significantly exceeded rule 110's $1,000,000 maximum. Moreover, the amendment, designed to facilitate the use of electronic media, merely expands the type of electronic media registered holding companies and mutual or subsidiary service companies may use to fulfill the recordkeeping requirements under the Act. The proposal is in response to the guidance and directives contained in the Electronic Signatures in Global Commerce Act, recently signed into law. The amendment will not result in a significant impact to the regulated companies, as it merely provides standards as to what types of electronic media are able to produce sufficient recording integrity to constitute compliance with the recordkeeping requirements of rule 1.

Accordingly, the proposed amendment would not have a significant impact on a substantial number of small entities.

Dated: March 16, 2001.

Laura S. Unger,

Acting Chairman.

[FR Doc. 01–7254 Filed 3–22–01; 8:45 am]

BILLING CODE 8010–01–U

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 301

[REG–121109–00]

RIN 1545–AY52

Disclosure of Return Information to the Bureau of the Census; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to notice of proposed rulemaking by cross-reference to temporary regulations.

SUMMARY: This document contains corrections to REG–121109–00 which was published in the **Federal Register** on Tuesday, February 13, 2001 (66 FR 9991). These regulations relate to additions to the list of items of information disclosed to the Bureau of the Census for use in the Longitudinal Employer-Household Dynamics (LEHD) project and the Survey of Income and Program Participation (SIPP) project.

FOR FURTHER INFORMATION CONTACT: Stuart Murray, (202) 622–4580 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking that is the subject of these corrections is under section 6103 of the Internal Revenue Code.

Need for Correction

As published, REG–121109–00 contains errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the notice of proposed rulemaking (REG–121109–00), which was the subject of FR Doc. 01–1990, is corrected as follows:

§ 301.6103(j)(1)–1 [Corrected]

1. On page 9992, column 3, § 301.6103(j)(1)–1(b)(5)(iii), (iv) and (v), line 4 , the language ''§ 301.6103(j)(1)–T(b)(5)(iii), (iv), and (v)'' is corrected to read ''§ 301.6103(j)(1)–1T(b)(5)(iii), (iv), and (v)''.

2. On page 9992, column 3, § 301.6103(j)(1)–1(e), line 3, the language ''§ 301.6103(j)(1)–T(e) published'' is corrected to read ''§ 301.6103(j)(1)–1T(e) published''.

Cynthia Grigsby,

Chief, Regulations Unit, Office of Special Counsel (Modernization & Strategic Planning).

[FR Doc. 01–7166 Filed 3–22–01; 8:45 am]

BILLING CODE 4830–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[CT064–7222B; A–1–FRL–6942–5]

Approval and Promulgation of Air Quality Implementation Plans; Connecticut—Approval of Several NO_X Emission Trading Orders as Single Source SIP Revisions

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The EPA is proposing to approve a State Implementation Plan (SIP) revision submitted by the State of Connecticut. This revision establishes a mechanism to create and use emission trading credits for nitrogen oxides (NO_X) at electric generating stations currently owned by Wisvest in Bridgeport and New Haven, Connecticut. This revision also approves retrospectively credits created at these facilities between April 16, 2000 and April 30, 2000. The revision also approves annual emission credits at Wisvest's power plant Bridgeport Harbor Station (unit no. 2). These permanent credits can be used by facilities to offset any NO_X emission increases due to new construction or plant modifications subject to EPA's nonattainment major new source review program. Finally, this revision changes the expiration date from December 1999 to December 2000 of previously issued Orders to four municipal waste incinerators. In the Final Rules Section of this **Federal Register**, EPA is approving the State's SIP submittal as a direct final rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this action rule, no further activity is contemplated. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period. Any parties