

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 (f) 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 corrosion of the emergency actuator mechanism, which could cause failure of the emergency actuator striker mechanism on the passenger or emergency doors, and lead to difficulty in opening the passenger or emergency doors during an emergency evacuation, accomplish the following:

Repetitive Inspections

(a) Within 500 flight hours after the effective date of this AD, or within 36 months after the airplane's date of manufacture, whichever occurs later: Determine if Airbus Modification(s) 45090, 45155, 45197, 45904, 45905, 26015, 26211, 11549, or 12024, as applicable, has been done. If the applicable modification(s) has been done, no further action is required by this AD. If the applicable modification(s) has not been done, before further flight, do the inspections required by paragraph (b) of this AD.

(b) Perform the inspections required by paragraphs (b)(1) and/or (b)(2) of this AD, as applicable, in accordance with Airbus Service Bulletin A300-52-0168, Revision 02 (for Model A300 B2 and B4 series airplanes), A300-52-6052, Revision 02 (for Model A300-600 series airplanes), or A310-52-2058, Revision 02 (for Model A310 series airplanes), all dated October 25, 1999; A330-52-3038, Revision 01, dated December 2, 1996 (for Model A330 series airplanes); A340-52-4048, Revision 03, dated June 10, 1997 (for Model A340 series airplanes); or Airbus All Operator Telex (AOT) 52-12, Revision 1, dated May 9, 1996 (for Model A319, A320, and A321 series airplanes); as applicable. Repeat the inspections thereafter at intervals not to exceed 3 years:

(1) For Model A321, A330, and A340 series airplanes: Do a detailed inspection of the striker and guide valve of the emergency door actuators for corrosion.

(2) For all airplanes: Do a detailed inspection of the striker and guide valve of the passenger door actuators for corrosion.

Note 2: For the purposes of this AD, a detailed visual 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."

Note 3: Additional service information regarding the required inspections on Airbus Model A300 B2 and B4, A300-600, and A310 series airplanes is provided in RATIER-FIGEAC Service Bulletin 701-5000-52-9, Revision 1, dated October 10, 1996.

Corrective Action

(c) If any corrosion is found during any inspection required by paragraph (b) of this AD, before further flight, accomplish either paragraph (b)(1) or (b)(2) of this AD, in accordance with Airbus Service Bulletin A300-52-0168, Revision 02 (for Model A300 B2 and B4 series airplanes), A300-52-6052, Revision 02 (for Model A300-600 series airplanes), or A310-52-2058, Revision 02 (for Model A310 series airplanes), all dated October 25, 1999; A330-52-3038, Revision 01, dated December 2, 1996 (for Model A330 series airplanes); A340-52-4048, Revision 03, dated June 10, 1997 (for Model A340 series airplanes); or Airbus AOT 52-12, Revision 1, dated May 9, 1996 (for Model A319, A320, and A321 series airplanes); as applicable.

(1) Clean the corroded areas of the emergency actuator striker mechanism to restore proper function, and re-install the mechanism; and, within 18 months after the corrosion is found, replace the mechanism with a serviceable part; or

(2) Replace the emergency actuator striker mechanism with a serviceable part.

Note 4: Inspections and corrective action done before the effective date of this AD in accordance with Airbus Service Bulletin A300-52-0168, dated December 4, 1996, or Revision 01, dated March 26, 1998; A300-52-6052, dated December 4, 1996, or Revision 01, dated March 26, 1998; or A310-52-2058, dated December 4, 1996, or Revision 01, dated March 26, 1998; are considered acceptable for compliance with the applicable actions specified in this amendment.

Note 5: Inspections and corrective action accomplished prior to the effective date of this AD in accordance with Airbus A320 Maintenance Planning Document, task number 521000-13-1, are considered acceptable for compliance with paragraphs (b) and (c) of this AD.

Terminating Action

(d) Within 36 months after the effective date of this AD: Modify the striker mechanism of the emergency and passenger door actuators (includes replacement of the existing copper diaphragm in the striker mechanism with an aluminum diaphragm and re-identification of the actuators) in accordance with Airbus Service Bulletin A300-52-0173, Revision 01, dated September 7, 2000 (for Model A300 B2 and B4 series airplanes); A300-52-6061, Revision 01, dated September 7, 2000 (for Model A300-600 series airplanes); A310-52-2065, Revision 01, dated September 7, 2000 (for Model A310 series airplanes); A330-52-3048, Revision 01, dated December 2, 1998 (for Model A330 series airplanes); A340-52-4059, Revision 01, dated December 2, 1998 (for Model A340 series airplanes); or A320-52-1094, Revision 02, dated April 7, 1999

(for Model A319, A320, and A321 series airplanes); as applicable.

Spares

(e) As of the effective date of this AD, no person shall install a passenger door or emergency door actuator on any airplane without first inspecting that actuator in accordance with paragraph (b) of this AD; and repairing, if necessary, in accordance with paragraph (c) of this AD.

Alternative Methods of Compliance

(f) 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, International Branch, ANM-116, Transport Airplane Directorate, FAA. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, International Branch, ANM-116.

Note 6: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Manager, International Branch, ANM-116.

Special Flight Permits

(g) 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.

Note 7: The subject of this AD is addressed in French airworthiness directives 1998-482-122(B) R1, dated April 21, 1999; 1999-410-294(B) R1, dated November 17, 1999; and 98-507-085(B) and 98-508-106(B), both dated December 16, 1998.

Issued in Renton, Washington, on May 10, 2002.

Ali Bahrami,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

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BILLING CODE 4910-13-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

18 CFR Parts 37, 161, 250, 284, and 358

[Docket No. RM01-10-000]

Standards of Conduct for Transmission Providers; Notice of Proposed Rulemaking

AGENCY: Federal Energy Regulatory Commission, DOE.

ACTION: Notice organizing technical conference.

SUMMARY: In Docket No. RM01-10-000, the Federal Energy Regulatory Commission proposed to promulgate new standards of conduct regulations

that apply uniformly to natural gas pipelines and transmitting public utilities (jointly referred to as transmission providers) that are currently subject to the gas standards of conduct, 18 CFR part 161 (2001), and the electric standards of conduct, 18 CFR part 37 (2001), 66 FR 50919 (Oct. 5, 2001). The Commission proposed to adopt one set of standards of conduct to govern the relationships between regulated transmission providers and their energy affiliates, broadening the definition of an affiliate covered by the standards of conduct. The Commission proposed to codify the standards of conduct in a new Subchapter S, Part 358, delete the current standards of conduct at Part 161 and § 37.4, and make conforming changes to other regulations as necessary. On May 21, 2002, the Federal Energy Regulatory Commission staff will hold a public conference to discuss the proposed revisions to the gas and electric standards of conduct. The conference will focus on: the definition of energy affiliate; application of the rules to the bundled sales function for retail native load; the independent functioning requirement; information disclosure rules; the posting of specified information, e.g., discount information.

DATES: The conference will take place on May 21, 2002, starting at 9:30 a.m. Persons wishing to submit further comments following the conclusion of the conference must submit them by June 14, 2002.

ADDRESSES: The conference will be held at the Commission's offices at 888 First Street, NE., Washington, DC in the Commission's meeting room. File written comments on the proposed rulemaking with the Office of the Secretary, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. Comments should reference Docket No. RM01-10-000. Comments may be filed electronically or by paper (an original and 16 copies, with an accompanying computer diskette in the prescribed format requested).

FOR FURTHER INFORMATION CONTACT: Demetra E. Anas, Office of General Counsel, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, (202) 208-0178, email: Demetra.Anas@ferc.gov.

SUPPLEMENTARY INFORMATION:

Notice Organizing Technical Conference

May 8, 2002.

This notice provides additional information concerning the May 21, 2002 technical conference to be held in

this docket to discuss the proposed revisions to the gas and electric standards of conduct governing transmission providers and their energy affiliates. See April 25, 2002 Notice of Technical Conference and Staff Analysis of the Major Issues Raised in the Comments. The conference will begin at 9:30 a.m. at the Commission's offices, 888 First Street NE., Washington, DC in the Commission's Meeting Room. All interested persons are invited to attend. Participants must use the First Street entrance to the building because of nearby construction.

The order of the discussion at the conference will follow the organization of the Staff Paper that was attached to the April 25th Notice: (1) The definition of energy affiliate; (2) application of the rules to the bundled sales function for retail native load; (3) the independent functioning requirement; (4) information disclosure rules; and (5) the posting of specified information, e.g., discount information. Each topic will be discussed for approximately one to one and one-half hour.

Those interested in participating in the discussion of particular topics should indicate their interest by May 15, 2002 by calling Demetra Anas at (202) 208-0178 or via e-mail to: demetra.anas@ferc.gov. This is to ensure that adequate seating is available in the Commission Meeting Room for those who want to participate in the discussion. We intend to accommodate as many speakers as time permits to participate in a give-and-take discussion of each of the five topics noted in the prior paragraph, in turn. Observers will be accommodated in the Commission Meeting Room on a space available basis, but there will be seating available in an overflow room which will have a broadcast of the discussion. Each request to participate must include a contact person, telephone number and e-mail address. In addition, each request should identify the specific issues the requestor is interested in discussing.

Attendees who want to propose alternatives to the regulatory text from the April 25, 2002 Staff Paper or to the Commission's Notice of Proposed Rulemaking should come prepared to share specific proposed language. Also, the participation of people familiar with the business operations of the transmission providers and their energy affiliates is particularly invited. Participants are encouraged to offer assessments of the quantitative impacts of the proposed rule and the benefits to be obtained by the proposed rule.

Procedures to file additional comments:

Interested persons may file additional comments on the issues discussed at the conference, or other matters relevant to this proceeding, including alternative proposals by June 14, 2002. Comments should include a one-page single spaced position summary. Comments may be filed either in paper format or electronically. Those filing electronically do not need to make a paper filing. For paper filings, the original and 14 copies of such comments should be submitted to the Office of the Secretary, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC, 20426 and should refer to Docket No. RM01-10-000.

Comments filed via the Internet must be prepared in WordPerfect, MS Word, Portable Document Format, or ASCII format. To file the document, access the Commission's website (www.ferc.gov) and click on "Make an e-filing," and then follow the instructions for each screen. First-time users will have to establish a user name and password. The Commission will send an automatic acknowledgment to the sender's E-mail address upon receipt of the comments.

User assistance for electronic filing is available at 202-208-0258 or by E-mail to efiling@ferc.gov. Comments should not be submitted to the e-mail address. All comments will be placed in the Commission's public files and will be available for inspection in the Commission's Public Reference Room at 888 First Street, NE., Washington, DC 20426 during regular business hours. Additionally, all comments may be viewed, printed or downloaded remotely via Internet through FERC's Homepage using the RIMS link. User assistance for RIMS is available at 202-208-2222, or by E-mail to rimsmaster@ferc.gov.

Remote access to the conference:

The Capitol Connection patrons in the Washington, DC area will receive notices regarding the broadcast of the conference. It also will be available, for a fee, live over the Internet, via C-Band Satellite, and via telephone conferencing. Persons interested in receiving the broadcast, or who need further information, should contact David Reininger or Julia Morelli at the Capitol Connection (703-993-3100) as soon as possible or visit the Capitol Connection web site at <http://www.capitolconnection.gmu.edu> and click on "FERC."

In addition, National Narrowcast Network's Hearing-On-The-Line service covers all FERC meetings live by telephone so that interested persons can listen at their desks, from their homes, or from any phone, without special

equipment. Billing is based on time on-line. Call (202) 966-2211 for further details.

Questions about participating at the conference should be directed to: Demetra Anas, Office of General Counsel, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, 202-208-0178. Demetra.Anas@ferc.gov

Linwood A. Watson, Jr.,

Deputy Secretary.

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-126024-01]

RIN 1545-AW72

Reporting of Gross Proceeds Payments to Attorneys

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains proposed regulations relating to the reporting of payments of gross proceeds to attorneys. The regulations reflect changes to the law made by the Taxpayer Relief Act of 1997 (1997 Act). The regulations will affect attorneys who receive payments of gross proceeds on behalf of their clients and certain payors (for example, defendants in lawsuits and their insurance companies and agents) that, in the course of their trades or businesses, make payments to these attorneys. This document also provides notice of a public hearing on these proposed regulations.

DATES: Written and electronic comments must be received by August 15, 2002. Requests to speak (with outlines of topics to be discussed) at the public hearing scheduled for September 30, 2002, at 10 a.m., must be received by September 9, 2002.

ADDRESSES: Send submissions to: CC:ITA:RU (REG-126024-01), room 5226, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 5 p.m. to: CC:ITA:RU (REG-126024-01), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. Alternatively, taxpayers may submit comments

electronically by submitting comments directly to the IRS Internet site at www.irs.gov/regs. The public hearing will be held in the Auditorium on the Seventh Floor of the Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT:

Concerning the proposed regulations, Nancy Rose (202) 622-4910; concerning submissions of comments, the hearing, and/or to be placed on the building access list to attend the hearing, Treena Garrett at (202) 622-7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act

The collection of information contained in this notice of proposed rulemaking has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) under control number 1545-1644.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number assigned by the Office of Management and Budget.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Background

This document contains proposed amendments to the Income Tax Regulations (26 CFR Part 1) under sections 6041 and 6045 of the Internal Revenue Code (Code). These proposed amendments to the Income Tax Regulations would (a) revise existing §§ 1.6041-1 and 1.6041-3 and (b) add a new § 1.6045-5.

A new reporting requirement, section 6045(f), was added to the Code by section 1021 of the Taxpayer Relief Act of 1997 (1997-4 (Vol. 1) C.B. 1, 136). Section 6045(f) generally requires information reporting for payments of gross proceeds made in the course of a trade or business to attorneys in connection with legal services (whether or not the services are performed for the payor). No information return is required under section 6045(f) for the portion of any payment that is required to be reported under section 6041(a) (or that would be required to be reported under section 6041 but for the \$600

limitation) or under section 6051. The 1997 Act also provides that the general exception in § 1.6041-3(q)(1) for reporting payments made to corporations does not apply to payments of attorneys' fees.

Proposed regulations under sections 6041 and 6045(f) were previously published in the **Federal Register** on May 21, 1999 (64 FR 27730) (the 1999 proposed regulations). Many individuals and organizations provided written comments on the 1999 proposed regulations. Several individuals spoke at a public hearing held on September 22, 1999.

After considering all of the comments, the IRS and the Treasury Department have decided to amend and repropose the regulations under sections 6041 and 6045(f), incorporating the guidance in the 1999 proposed regulations with some modifications. All comments received in connection with the 1999 proposed regulations will continue to be considered in finalizing these repropose regulations (the proposed regulations). The IRS and the Treasury Department welcome any additional comments from taxpayers on the issues discussed below or on other issues relating to section 6045(f).

Explanation of Revisions

Delivery Rule

Section 1.6045-5(b)(1) of the 1999 proposed regulations (the delivery rule) elicited numerous comments. The delivery rule required information reporting of payments delivered to a nonpayee attorney, if under the circumstances, it was reasonable for the payor to believe that the attorney received the check in connection with legal services. Most of the comments urged the IRS and the Treasury Department to eliminate the delivery rule for a variety of reasons.

First, commentators suggested that the benefits the IRS would derive from receiving information regarding payments of gross proceeds to nonpayee attorneys would be outweighed by the burdens payors would encounter in collecting and reporting that information. Several commentators stated that their automated information collection and processing systems cannot prepare returns for nonpayee recipients. Consequently, they would incur substantial costs to accommodate reporting to nonpayee attorneys, either by modifying those systems or by manually preparing information returns for nonpayee attorneys.

Second, commentators stated that the delivery rule creates the potential for unintentional noncompliance because