re-position the engine exhaust duct with the use of shims in accordance with EMBRAER Service Bulletin S.B. 120–54–0035, Change 02, dated May 29, 1998. If it is not possible to re-position the engine exhaust duct with the use of shims as specified in the service bulletin, prior to further flight, replace the rear exhaust duct bracket with a new rear exhaust duct bracket, in accordance with the "**Note**" in paragraph 1.3.1.1 of the Planning section of the service bulletin.

(d) As of the effective date of this AD, no person shall install on any airplane a thermal insulating blanket having part number (P/N) 120–35411–025, –035, –036, 120–35413–001, or 120–35413–002.

(e) 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, FAA, Small Airplane Directorate, Atlanta Aircraft Certification Office, One Crown Center, 1895 Phoenix Boulevard, Suite 450, Atlanta, Georgia. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Atlanta ACO.

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

(f) 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.

(g) The actions shall be done in accordance with EMBRAER Service Bulletin S.B. 120–54–0035, Change 02, dated May 29, 1998. This incorporation by reference was approved previously by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51 as of March 3, 1999 (64 FR 4029, January 27, 1999). Copies may be obtained from Empresa Brasileira de Aeronautica S.A. (EMBRAER), P.O. Box 343—CEP 12.225, Sao Jose dos Campos—SP, Brazil. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Small Airplane Directorate, Atlanta Aircraft Certification Office, One Crown Center, 1895 Phoenix Boulevard, Suite 450, Atlanta, Georgia; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(h) The effective date of this amendment remains March 3, 1999.

Issued in Renton, Washington, on March 23, 1999.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 99–7689 Filed 3–29–99; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

14 CFR Part 255

[Docket No. OST–99–5132]

RIN 2105–AC75

Second Extension of Computer Reservations Systems Regulations

AGENCY: Office of the Secretary, DOT.

ACTION: Final rule.

SUMMARY: The Department is revising its rules governing airline computer reservations systems (CRSs) to change the rules' expiration date for a second time. This revision changes the date from March 31, 1999, to March 31, 2000, to keep the rules from terminating on March 31, 1999. The rules will thus remain in effect while the Department continues out its reexamination of the need for CRS regulations. The Department finds that the current rules should be maintained because they are necessary for promoting airline competition and helping to ensure that consumers and their travel agents can obtain complete and accurate information on airline services. The Department previously extended the rules from December 31, 1997, to March 31, 1999.

DATES: This rule is effective on March 31, 1999.

FOR FURTHER INFORMATION CONTACT: Thomas Ray, Office of the General Counsel, U.S. Department of Transportation, 400 Seventh St. SW., Washington, DC 20590, (202) 366–4731.

SUPPLEMENTARY INFORMATION: Our CRS rules have always had an expiration date to ensure that we would periodically review the need for the rules and their effectiveness. In a 1997 rulemaking we changed the rules' expiration date from the original sunset date, December 31, 1997, to March 31, 1999. 62 FR 66272 (December 18, 1997).

We will not be able to complete our reexamination of the current rules by March 31, 1999. Because we believed that the current rules should be maintained pending our reexamination of the need for rules, we proposed to change the rules' expiration date to March 31, 2000, and gave interested persons an opportunity to comment on that proposal. 64 FR 9457 (February 26, 1999). We received comments from Amadeus Global Travel Distribution, Worldspan, the Association of Asia Pacific Airlines, and America West Airlines, all of which supported the proposal, as did Southwest Airlines, which filed a late reply.

Background

As explained in our notice proposing to revise the rules' expiration date, we have found that CRS rules are necessary to protect airline competition and to ensure that consumers can obtain accurate and complete information on airline services. 64 FR 9458–9459. CRSs have become essential for the marketing of airline services for almost all airlines operating in the United States, and market forces do not discipline the price and quality of service offered airlines by the CRSs. Travel agents rely on CRSs to provide airline information and bookings for their customers, and almost all airlines receive most of their bookings from travel agencies. The travel agencies' typical exclusive or predominant use of one system compels each airline to participate in an agency's system if it wishes to have its services readily saleable by that agency. Each system, moreover, is controlled by airlines or airline affiliates, who could use them to unreasonably prejudice the competitive position of other airlines or to provide misleading or inaccurate information to travel agents and their customers. For these reasons, we adopted rules regulating CRS operations in the United States, 57 FR 43780 (September 22, 1992). 64 FR 9458–9459.

Our rules included a sunset date, December 31, 1997, to ensure that we would reexamine whether the rules remained necessary and whether they were effective. 57 FR 43829–43830 (September 22, 1992). We have begun a reexamination of our current rules by publishing an advance notice of proposed rulemaking that invited interested persons to comment on whether we should readopt the rules and, if so, with what changes. 62 FR 47606 (September 10, 1997). Almost all of the parties responding to our advance notice of proposed rulemaking have urged us to maintain CRS rules, although these parties also argued that various changes should be made to the rules, mostly to strengthen them. 64 FR 9458.

Our Proposed Extension of the CRS Rules

Our inability to complete our reexamination of the rules by the original sunset date, December 31, 1997, caused us to change the sunset date to March 31, 1999. 62 FR 66272 (December 18, 1997).

We proposed again to change the expiration date for the rules to March 31, 2000, so that they would remain in effect pending our reexamination of our rules, since we could not complete that reexamination by March 31, 1999. 64 FR

9457 (February 26, 1999). The time and procedures required for that process made it impossible for us to meet that deadline. The proposed temporary extension of the current rules would maintain the status quo until we determine which rules, if any, should be adopted. As we explained, maintaining the rules in effect appeared to be necessary to protect airline competition and consumers against unreasonable practices. A short-term extension of the rules would protect airline competition and consumers against the injuries that would otherwise occur, given our earlier findings on the market power of the systems and each airline owner's potential interest in using its affiliated CRS to prejudice the competitive position of other airlines. Furthermore, allowing the current rules to expire could be disruptive, since the systems, airlines, and travel agencies have been conducting their operations in the expectation that each system will comply with the rules. 64 FR 9458.

Finally, we noted that maintaining the rules in effect appeared necessary to meet the United States' obligations under various treaties and bilateral air services agreements to assure foreign airlines a fair and equal opportunity to compete. 64 FR 9459.

We stated that we regret our inability to finish the reexamination of the rules by March 31, 1999. Recognizing the importance of having CRS rules that reflect current industry conditions, we explained that our review has taken more time than anticipated, in part due to recent developments in airline distribution. In addition, we have had to address other airline competition issues that appeared to be more urgent. We recognize that several parties were alleging that the compelling need for certain additional CRS regulations required us to act promptly on those issues without waiting for the completion of the overall reexamination of the rules. We are considering whether there were issues that should be addressed before we complete our overall reexamination of the rules. 64 FR 9458.

Due to the need to make the proposed amendment effective by March 31, 1999, we shortened the comment period to fourteen days. 64 FR 9457.

Comments

Four parties filed comments. The commenters are Amadeus Global Distribution System (''Amadeus''), Worldspan, America West Airlines, and the Association of Asia-Pacific Airlines (''Asia-Pacific Association''). Worldspan does not object to the proposed extension of the current rules, and the other three parties endorse our tentative conclusion that CRS rules remain necessary. Worldspan and the Asia-Pacific Association agree that our on-going review of our current rules will be a complex process and must be done carefully.

Three of the commenters urge us, however, to act promptly on some CRS issues before we complete our overall review of the rules. Amadeus contends that we should adopt a rule prohibiting the tying of a travel agency's ability to sell corporate discount fares with its choice of the system affiliated with the airline offering the discount fares. Worldspan objects to a piecemeal revision of the current rules; Worldspan asserts, however, that, if any issue is considered before the completion of the rules' overall reexamination, that issue should be the extension of the mandatory participation rule, 14 CFR Part 255.7(a), to cover airlines like Southwest that market one system without participating in other systems. America West argues that we should act immediately on its pending petitions for rules addressing the systems' high booking fees and the problems created for airlines by Internet booking services.

Southwest filed a reply which supports our proposed extension of the rules and argues that Worldspan's proposed rule would injure both Southwest and airline travellers.

Decision

We will change the rules' sunset date to March 31, 2000, as we proposed. Amadeus, Worldspan, America West, the Asia Pacific Association, and Southwest support our proposal, and no one has objected to it. The analysis underlying our proposal is consistent both with the findings made by us in earlier CRS rulemakings and with the position of almost all parties in the underlying rulemaking (Docket OST–97–2881) that CRS rules are still necessary. We will consider, however, whether CRS regulations are still needed as part of our overall reexamination of the CRS rules.

America West, Amadeus, and Worldspan each urge us to act quickly on the specific rule proposals of interest to it. We will consider their requests as part of our review of the comments and reply comments filed in the proceeding for reexamining all of the CRS rules. While we appreciate their interest in obtaining expedited action on certain issues, we note that their requests are generally controversial and opposed by other commenters.

Effective Date

We have determined for good cause to make this amendment effective on March 31, 1999, rather than thirty days after publication as required by the Administrative Procedure Act, 5 U.S.C. 553(d), except for good cause shown. Maintaining the current rules in effect on a continuing basis requires us to make this amendment effective by March 31, 1999. Since the amendment preserves the status quo, it will not require the systems, airlines, and travel agencies to change their operating methods. As a result, making the amendment effective less than thirty days after publication will not burden anyone.

Regulatory Process Matters

Regulatory Assessment

This rule is a nonsignificant regulatory action under section 3(f) of Executive Order 12866 and has not been reviewed by the Office of Management and Budget under that order. The proposal is also not significant under the regulatory policies and procedures of the Department of Transportation, 44 FR 11034 (February 26, 1979).

In our notice of proposed rulemaking, we tentatively determined that maintaining the current rules should impose no significant costs on the CRSs. Since the systems have already taken all the steps necessary to comply with the rules' requirements on displays and functionality, continuing to comply with those rules would not impose a substantial burden on the systems. Keeping the rules in effect would benefit participating airlines, since they would otherwise be subjected to unreasonable terms for participation, and consumers, who might otherwise be given incomplete or inaccurate information on airline services. The rules also contain provisions that are designed to prevent abuses in the systems' competition with each other for travel agency subscribers. 64 FR 9459.

In our notice we also pointed out that our last comprehensive CRS rulemaking included an economic analysis that we believe remains applicable to our extension of the rules' expiration date. We concluded that no new economic analysis appeared to be necessary, but we stated that we would consider comments from any party on that analysis before we again revised the rules' sunset date. 64 FR 9459.

No one filed comments on the economic analysis. We will therefore base this rule on the analysis used in our last comprehensive CRS rulemaking. We will prepare a new

economic analysis as part of our review of the existing rules, if we determine that rules remain necessary.

This rule does not impose unfunded mandates or requirements that will have any impact on the quality of the human environment.

Small Business Impact

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601 *et seq.*, was enacted by Congress to ensure that small entities are not unnecessarily and disproportionately burdened by government regulations. The act requires agencies to review proposed regulations that may have a significant economic impact on a substantial number of small entities. For purposes of this rule, small entities include smaller U.S. and foreign airlines and smaller travel agencies.

Our notice of proposed rulemaking set forth the reasons for our proposed extension of the rules' expiration date and the objectives and legal basis for that proposed rule. We also noted that keeping the current rules in force would not modify the existing regulation of small businesses. We referred to the final rule in our last comprehensive CRS rulemaking, which contained an analysis that we used to determine that the rules would not have a significant economic impact on a substantial number of small entities. In proposing to revise the sunset date to March 31, 2000, we reasoned that that analysis appeared to remain valid for that proposed extension. We therefore adopted that analysis as our tentative regulatory flexibility statement but stated that we would consider any comments filed on that analysis in connection with this proposal. 64 FR 9459–9460.

We tentatively concluded that maintaining our existing CRS rules would primarily affect two types of small entities, smaller airlines and travel agencies. We further noted that the rule would also affect all small entities that purchase airline tickets, since airline fares may be somewhat lower than they would otherwise be, although the amount may not be large, if our CRS rules allowed airlines to operate more efficiently than they otherwise would. 64 FR 9459.

Keeping the rules in effect would benefit smaller airlines that have no ownership interest in a CRS, since the rules prohibit certain potential system practices that could injure their ability to operate profitably and compete successfully. The rules provide important protection to smaller airlines, for example, by barring display bias and discriminatory booking fees. If there were no rules, the systems' airline owners could use them to prejudice the competitive position of other airlines. *Ibid.*

The CRS rules additionally affect the operations of smaller travel agencies, primarily by prohibiting certain CRS practices that could unreasonably restrict the travel agencies' ability to use more than one system or to switch systems. The rules prohibit CRS contracts that have a term longer than five years, give travel agencies the right to use third-party hardware and software, and prohibit certain types of contract clauses, such as minimum use and parity clauses, that restrict an agency's ability to use multiple systems. By prohibiting display bias based on carrier identity, the rules also enable travel agencies to obtain more useful displays of airline services. 64 FR 9459–9460.

We invited interested persons to address our tentative conclusions under the Regulatory Flexibility Act in their comments submitted in response to this notice of proposed rulemaking. 64 FR 9460.

No one filed comments on our Regulatory Flexibility Act analysis. We will adopt the analysis set forth in the notice of proposed rulemaking.

Our proposed rule contained no direct reporting, recordkeeping, or other compliance requirements that would affect small entities. There are no other federal rules that duplicate, overlap, or conflict with our proposed rules.

The Department certifies under section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) that this regulation will not have a significant economic impact on a substantial number of small entities.

Paperwork Reduction Act

This rule contains no collection-of-information requirements subject to the Paperwork Reduction Act, Public Law 96–511, 44 U.S.C. Chapter 35.

Federalism Implications

This rule will have no 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 12812, we have determined that the proposed rule does not have sufficient federalism implications to warrant preparation of a Federalism Assessment.

List of Subjects in 14 CFR Part 255

Air carriers, Antitrust, Consumer protection, Reporting and recordkeeping requirements, Travel agents.

Accordingly, the Department of Transportation amends 14 CFR Part 255, as follows:

PART 255—[AMENDED]

1. The authority citation for part 255 continues to read as follows:

Authority: 49 U.S.C. 40101, 40102, 40105, 40113, 41712.

2. Section 255.12 is revised to read as follows:

§ 255.12 Termination.

Unless extended, the rules in this part shall terminate on March 31, 2000.

Issued in Washington, D.C. on March 25, 1999, under authority delegated by 49 CFR 1.56a (h) 2.

Patrick V. Murphy,

Deputy Assistant Secretary for Aviation and International Affairs.

[FR Doc. 99–7753 Filed 3–29–99; 8:45 am]

BILLING CODE 4910–62–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[CA 211–0127a; FRL–6313–4]

Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision; El Dorado County Air Pollution Control District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is taking direct final action to approve revisions to the California State Implementation Plan (SIP). The El Dorado County Air Pollution Control District (EDCAPCD), Rule 239 concerns control of emissions of oxides of nitrogen (NO_X) from natural gas-fired residential water heaters.

This approval action will incorporate this rule into the Federally approved SIP. The intended effect of approving of this rule is to regulate NO_X emissions in accordance with the requirements of the Clean Air Act, as amended in 1990 (CAA or the Act). Thus, EPA is finalizing the approval of this revision into the California SIP under provisions of the CAA regarding EPA actions on SIP submittals, SIPs for national primary and secondary ambient air quality standards (NAAQS), and plan requirements for nonattainment areas.