

available on the World Wide Web at <http://dms.dot.gov>.

**FOR FURTHER INFORMATION CONTACT:**

Michael Hokana, U.S. Department of Transportation, Maritime Administration, MAR-830 Room 7201, 400 Seventh Street, SW., Washington, DC 20590. Telephone (202) 366-0760.

**SUPPLEMENTARY INFORMATION:** As described by the applicant the intended service of the vessel DECEPTION is:

*Intended Use:* "Occasional passenger for hire, incidental to main business of exclusive Grand Banks bare boat charters in Bellingham, Washington.

*Geographic Region:* "Puget Sound".

Dated: March 21, 2005.

By order of the Maritime Administrator.

Joel C. Richard,

Secretary, Maritime Administration.

[FR Doc. 05-6180 Filed 3-28-05; 8:45 am]

BILLING CODE 4910-81-P

**DEPARTMENT OF TRANSPORTATION**

**National Highway Traffic Safety Administration**

[Docket No. NHTSA-2005-20455, Notice 1]

**Spyker Automobielen B.V.; Receipt of Application for a Temporary Exemption From Federal Motor Vehicle Safety Standard No. 208 and Part 581 Bumper Standard**

In accordance with the procedures of 49 CFR part 555, Spyker Automobielen B.V. ("Spyker") has applied for a Temporary Exemption from S4.2.3 of Federal Motor Vehicle Safety Standard (FMVSS) No. 208, *Occupant Crash Protection*, and part 581 *Bumper Standard* for its C-8 vehicle. The basis of the application is that compliance would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard.<sup>1</sup>

We are publishing this notice of receipt of the application in accordance with the requirements of 49 U.S.C. 30113(b)(2), and have made no judgment on the merits of the application.

**I. Background**

Spyker is a small publicly traded Dutch vehicle manufacturer established in 2002. Spyker manufactures hand-build high-performance automobiles similar to vehicles manufactured by Ferrari, Lamborghini, Saleen, and other high-performance vehicle

manufacturers.<sup>2</sup> Spyker has manufactured between 40 and 45 automobiles in 2004, and has a back order approaching 80 vehicles.<sup>3</sup> Spyker anticipates sales of less than 50 vehicles per year in the United States.

Spyker indicates that it anticipated entering the U.S. market in 2008 with a fully compliant vehicle. Due to a recent racing success and consequent surge in public interest, the applicant wants to begin selling cars in the U.S. immediately. Further, the applicant indicates that "market and investment pressure require introduction for the 2005 model year."

**II. Why Spyker Needs a Temporary Exemption and How Spyker Has Tried in Good Faith to Comply With FMVSS No. 208 and the Bumper Standard**

Spyker indicates that it has invested significant resources into making the C-8 compliant with applicable Federal regulations. However, because of the limited resources as well as the fluctuating value of the U.S. dollar, the petitioner argues that it cannot bring the C-8 into compliance with S4.2.3 of FMVSS No. 208 and Part 581 without generating immediate U.S. sales revenue. Specifically, Spyker's financial information submission shows a net operating loss of €343,000 (≈\$452,760) for the fiscal year 2001; a net operating loss of €1,245,000 (≈\$1,643,400) for the fiscal year 2002; a net operating loss of €4,808,000 (≈\$6,346,560) for the fiscal year 2003; and a projected net operating loss of €4,500,000 (≈\$5,940,000) for fiscal year 2004. This represents a cumulative net loss for a period of 4 years of €10,896,000 (≈\$14,382,720).<sup>4</sup>

In short, the petitioner indicates that the cost of making the C-8 compliant with FMVSS No. 208 and Part 581 is beyond the company's current capabilities. Spyker requests a three-year exemption in order to develop compliant bumpers and advanced air bags. The petitioner anticipates the funding necessary for these compliance efforts will come from immediate sales of the C-8 in the United States.

**A. Federal Motor Vehicle Safety Standard No. 208**

The petitioner states that the company's current assets cannot support air bag development at this time and that testing expenses, as well as reengineering and re-design delays would bankrupt the company. The

petitioner states that a denial of the air bag exemption request will lead to the same losses as in 2004 for 2005, 2006 and 2007 (€4,500,000 per year). Granting of the petitioner's request would lead to a net operating loss of 2,500,000 in 2005, but a net gain of €375,000 in 2006 and a net gain of €4,534,000 in 2007. The estimated cost of designing an air bag system is \$800,000 and the process takes six to twelve months.

Petitioner indicates that it had contacted at least two air bag manufacturers without success, and now plans on concentrating their efforts on designing advanced air bags that become mandatory in 2006.

**B. Part 581—Bumper Standard**

Spyker indicates that it attempted to design compliant bumpers. Specifically, the petitioner investigated installing molded fiberglass bumpers with aluminum reinforcements. According to the petitioner, however, this design could alter the crashworthiness of the C-8. Thus, meeting the low impact damage criteria of Part 581 could reduce the high impact crashworthiness of the entire vehicle. The petitioner provided no discussion of additional efforts to develop compliant bumpers, or evaluation of other alternatives.

**III. Why an Exemption Would Be in the Public Interest**

The petitioner put forth several arguments in favor of a finding that the requested exemption is consistent with the public interest. Specifically:

1. The petitioner argues that Part 581 is not a safety standard, but a standard designed to reduce costs associated with minor impacts.
2. With respect to air bags, the petitioner argues that the vehicles are designed with a "frontal crush structure and occupant protection cell for use as a race vehicle."
3. The vehicle would be equipped with labels reminding drivers to buckle up.
4. Spyker's engineering analysis shows that at impact speeds of less than 5 mph, there is no damage to the C-8's safety equipment (other than license plate lights).
5. The likelihood of minor damage is very low. The vehicle costs in excess of \$200,000, and it is reasonable to assume that it would not be subject to normal "wear-and-tear" associated with typical bumper impacts.
6. Spyker does not anticipate selling more than 250 vehicles for a period of 3 years covered by the requested exemption. Thus, the impact of the exemption is expected to be minimal.

<sup>2</sup> For more information on Spyker, see <http://www.spykercars.com/>.

<sup>3</sup> [http://www.spykercars.com/meta/investors/pdf/Financieel/first\\_halfjaar\\_report\\_2004.pdf](http://www.spykercars.com/meta/investors/pdf/Financieel/first_halfjaar_report_2004.pdf).

<sup>4</sup> All dollar values are based on an exchange rate of €1 = \$1.32.

<sup>1</sup> To view the application using the Docket number listed above, please go to: <http://dms.dot.gov/search/searchFormSimple.cfm>.

7. Spyker argues that granting the exemption would be consistent with the Agency's previous decisions.<sup>5</sup>

8. Spyker argues that granting the exemption would increase choices available to the U.S. driving population in the high-performance vehicle segment.

9. Spyker argues that granting the exemption would increase jobs in the U.S. associated with sales and maintenance of the C-8.

#### IV. How You May Comment On Spyker Application

We invite you to submit comments on the application described above. You may submit comments [identified by DOT Docket No NHTSA-2005-20455] by any of the following methods:

- Web site: <http://dms.dot.gov>.

Follow the instructions for submitting comments on the DOT electronic docket site by clicking on "Help and Information" or "Help/Info."

- Fax: 1-202-493-2251.

• Mail: Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL-401, Washington, DC 20590.

• Hand Delivery: Room PL-401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 am and 5 pm, Monday through Friday, except Federal Holidays.

• Federal eRulemaking Portal: Go to <http://www.regulations.gov>. Follow the online instructions for submitting comments.

*Instructions:* All submissions must include the agency name and docket number or Regulatory Identification Number (RIN) for this rulemaking. Note that all comments received will be posted without change to <http://dms.dot.gov>, including any personal information provided.

*Docket:* For access to the docket in order to read background documents or comments received, go to <http://dms.dot.gov> at any time or to Room PL-401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

*Privacy Act:* Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register**

published on April 11, 2000 (Volume 65, Number 70; Pages 19477-78) or you may visit <http://dms.dot.gov>.

We shall consider all comments received before the close of business on the comment closing date indicated below. To the extent possible, we shall also consider comments filed after the closing date. We shall publish a notice of final action on the application in the **Federal Register** pursuant to the authority indicated below.

Comment closing date: April 28, 2005.  
(49 U.S.C. 30113; delegations of authority at 49 CFR 1.50 and 501.8)

#### FOR FURTHER INFORMATION CONTACT:

George Feygin in the Office of Chief Counsel, NCC-112, (Phone: 202-366-2992; Fax 202-366-3820; E-mail: [George.Feygin@nhtsa.dot.gov](mailto:George.Feygin@nhtsa.dot.gov)).

Issued on: March 23, 2005.

**Stephen R. Kratzke,**

*Associate Administrator for Rulemaking.*

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**BILLING CODE 4910-59-P**

## DEPARTMENT OF TRANSPORTATION

### Pipeline and Hazardous Materials Safety Administration (PHMSA)

[Docket No. PHMSA-04-19854]

#### Pipeline Safety: Meetings on Assuring Distribution Pipeline Integrity

**AGENCY:** Office of Pipeline Safety, Pipeline and Hazardous Materials Administration, DOT.

**ACTION:** Notice of meetings.

**SUMMARY:** The Office of Pipeline Safety (OPS) plans to conduct several work group meetings in 2005 to evaluate ways to enhance integrity of gas distribution pipeline systems. The work groups include representatives of OPS, state pipeline safety regulators, the gas distribution industry, the Gas Pipeline Technology Committee, the Fire Marshal's Association, and the public. The next meeting will be held March 29-31, 2005, in Dallas, Texas.

**ADDRESSES:** The March 29-31 meeting will be held at Hilton Suites Dallas North, 13402 Noel Road, Dallas, Texas 75240. The phone number for Hilton reservations is (972) 503-8701. The particular meeting rooms will be posted by the hotel each day.

**FOR FURTHER INFORMATION CONTACT:** Mike Israni, OPS, (202) 366-4571; [mike.israni@dot.gov](mailto:mike.israni@dot.gov).

**SUPPLEMENTARY INFORMATION:** OPS has implemented regulations over the last five years to address integrity management of hazardous liquid and

gas transmission pipelines. OPS has now begun an effort to consider whether requirements should be imposed to enhance the integrity of gas distribution pipeline systems and, if so, how those requirements should be structured. OPS is working with a work group consisting of representatives of state pipeline safety regulators, the gas distribution industry, the Gas Pipeline Technology Committee, the Fire Marshal's Association, and the public. Members of this group plan to meet periodically in 2005 to evaluate various topics regarding the need for and nature of potential distribution integrity management requirements.

Executive represents of the study group met in Dulles, VA on March 16 and 17, 2005, to begin this effort. That group concluded that further investigation of potential approaches to assuring distribution integrity is needed. The executive group further concluded that the most useful approach is likely to include a combination of a high-level, risk-based federal regulation with implementation guidance included in a consensus standard or a guidance document. States, which are principally responsible for regulating distribution system safety, could impose additional requirements beyond the federal regulation and could adopt all or portions of the guidance. The executive group also concluded that a program of public education could be important to reducing the frequency of damage caused by excavations near distribution pipelines and that research and development should be conducted to identify improved means of assessing the integrity of distribution pipelines.

The continued evaluation of the potential need for distribution integrity management requirements and/or guidance will begin with meetings to be held at Hilton Suites Dallas North, 13402 Noel Road Dallas, Texas 75240, on March 29-31, 2005. Meetings on March 29 and 30 will be held from 8:30 a.m. to 4:30 p.m., and March 31 from 8:30 a.m. to 11 a.m. The participants will be formed into four study groups to evaluate strategic options, risk control practices, protection against outside force damage, and data issues related to understanding distribution integrity threats. The agenda for this meeting will include:

#### Joint Meeting

Introduction & Planned Report to Congress.  
Mission, Action Plan and Options.  
Group Structure & Responsibilities.  
Charge to Sub Groups.  
Steering Committee Decisions and Direction.

<sup>5</sup> See 69 FR 5658 (February 5, 2004), and 69 FR 3192 (January 22, 2004).