



[4910-13-P]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2012-0002; Directorate Identifier 2011-NE-42-AD]

RIN 2120-AA64

Airworthiness Directives; Continental Motors, Inc. Reciprocating Engines; Initial Regulatory Flexibility Analysis

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Availability of an Initial Regulatory Flexibility Analysis (IRFA)

SUMMARY: This document announces the availability of and request for comments on the IRFA for the previously published proposed airworthiness directive (AD). That AD applied to certain Airmotive Engineering Corp. replacement parts manufacturer approval cylinder assemblies marketed by Engine Components International Division, used on the Continental Motors, Inc. (CMI) models 520 and 550 reciprocating engines, and all other engine models approved for the use of CMI models 520 and 550 cylinder assemblies such as the CMI model 470 when modified by supplemental type certificate.

DATES: Comments must be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- Federal eRulemaking Portal: Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Fax: 202-493-2251.
- Mail: U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590.

- Hand Delivery: Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Jurgen E. Priester, Aerospace Engineer, Special Certification Office, FAA, Rotorcraft Directorate, 2601 Meacham Blvd., Fort Worth, TX 76137; phone: 817-222-5159; fax: 817-222-5785; email: jurgen.e.priester@faa.gov.

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to include an AD that would apply to the specified products. The NPRM published in the Federal Register on August 12, 2013 (78 FR 48828). The NPRM proposed to require initial and repetitive inspections, replacement of cracked cylinders, and replacement of cylinder assemblies at reduced times-in-service. The NPRM also proposed to prohibit the installation of affected cylinder assemblies into any engine.

Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (Public Law 96-354) (RFA) establishes as a principle of regulatory issuance that agencies shall endeavor, consistent with the objective of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of the businesses, organizations, and governmental jurisdictions subject to regulation.

To achieve that principle, the RFA requires agencies to solicit and consider flexible regulatory proposals and to explain the rationale for their actions. The RFA covers a wide-range of small entities, including small businesses, not-for-profit organizations, and small governmental jurisdictions.

Agencies must perform a review to determine whether a proposed or final rule will have a significant economic impact on a substantial number of small entities. If the

agency determines that it will, the agency must prepare a regulatory flexibility analysis as described in the Act. Based on the comments received following publication of the NPRM, we have completed an IRFA and request comments from affected small entities. The purpose of this analysis is to identify the number of small entities affected, assess the economic impact of the proposed regulation on them, and consider less burdensome alternatives and still meet the agency's statutory objectives.

Part 135 Operators

The U.S. Small Business Administration (SBA) classifies businesses as small based on size standards, typically expressed as number of employees. The FAA identified 609 part 135 operators that meet the SBA definition of a small entity (entities with 1,500 or fewer employees) out of the 610 part 135 operators affected by this proposed rule. We consider this a substantial number of small entities.

For the 609 part 135 small operators, we estimate costs that range between \$14 thousand and \$1.2 million for adopting this AD. We also estimated the value of their aircraft, which ranges between \$22 thousand and \$21 million. Using the preceding information, the FAA estimates that the ratio of annualized cost to asset value are higher than 5 percent for 432 part 135 operators.

Smaller Air Services Businesses

We estimate that more than 5,000 smaller air services businesses would be affected by this proposed rule. We consider this a substantial number of small entities. For each of these entities, we estimated costs of about \$14 thousand although we were unable to estimate their asset value.

Initial Regulatory Flexibility Analysis

Under Section 603(b) of the RFA, the initial analysis must address:

- (1) Description of reasons the agency is considering the action;
- (2) Statement of the legal basis and objectives for the proposed rule;

(3) Description of the record keeping and other compliance requirements of the proposed rule;

(4) All federal rules that may duplicate, overlap, or conflict with the proposed rule;

(5) Description and an estimated number of small entities to which the proposed rule will apply; and

(6) Describe alternatives considered.

A brief description of each of these criteria is discussed below. The complete IRFA can be found in the AD docket on the Internet at

<http://www.regulations.gov/#!searchResults;rpp=25;po=0;s=FAA-2012-0002>.

1. A Description of the Reasons Action by the Agency Is Being Considered

This proposed AD was prompted by failure reports of multiple cylinder head-to-barrel separations and cracked and leaking aluminum cylinder heads.

2. Objectives of, and Legal Basis for, the Proposed Rule

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency's authority.

We are issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: "General requirements." Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

3. A Description of and an Estimate of the Number of Small Entities to which the Proposed Rule Will Apply

The FAA identified 432 small part 135 operators on which the rule will have a significant economic impact. We estimate that these small part 135 operators have assets valued between \$22 thousand and \$21 million.

4. Reporting, Record Keeping, and Other Compliance Requirements of the Proposed Rule

Public reporting for this collection of information is estimated to be approximately 5 minutes per response, including the time for reviewing instructions, completing and reviewing the collection of information. Total paperwork costs range between \$7 and \$623 per small entity.

5. Duplicative, Overlapping, or Conflicting Federal Rules

The FAA is unaware of any Federal rules that duplicate, overlap, or conflict with this rule.

6. Significant Alternatives to the Proposed Rule

We have considered the following alternatives:

(1) Do nothing - This option is not acceptable due to the number of failures of ECi cylinder head assemblies and the consequences of the failures.

(2) Periodic inspections only (no forced removals) - Though the National Transportation Safety Board recommends this option, we do not find it acceptable. The rate of crack growth to failure is unknown, but has shown that it can be more rapid than the intervals of part 43 mandated inspections. Further, failure events tend to group in both low time (<500 hr) failure events and high time (>1000 hr) failure events.

(3) Forced removals only (no periodic inspections) - We do not find that this option is acceptable. Failure events may still occur at times other than the low and high times groups described above, and periodic inspections may find impending failures.

Comments Invited

We invite you to send any written relevant data, views, or arguments about this rulemaking. Send your comments to an address listed under the ADDRESSES section. Include “Docket No. FAA-2012-0002; Directorate Identifier 2011-NE-42-AD” at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this rulemaking action. The most helpful comments will reference a specific portion of the IRFA or related rulemaking document, explain the reason for any recommended change, and include supporting data.

We will post all comments we receive, without change, to <http://www.regulations.gov>, including any personal information you provide. We will address all comments in the final rule including those already in the AD docket from the NPRM. We will also post a report summarizing each substantive verbal contact we receive about the proposed AD.

Issued in Burlington, Massachusetts, on February 27, 2014.

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