[4910-13-P]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2020-1076; Project Identifier MCAI-2020-01201-A]

RIN 2120-AA64

Airworthiness Directives; Viking Air Limited (Type Certificate Previously Held by Bombardier Inc. and de Havilland, Inc.) Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Supplemental notice of proposed rulemaking (SNPRM).

SUMMARY: The FAA is revising a notice of proposed rulemaking (NPRM) that would have applied to all Viking Air Limited (Viking) (type certificate previously held by Bombardier Inc. and de Havilland, Inc.) Model DHC-3 airplanes. This action revises the NPRM by changing the required action specified in the proposed airworthiness directive (AD). Additionally, the FAA is publishing an Initial Regulatory Flexibility Analysis (IRFA) to aid the public in commenting on the potential impacts to small entities from this proposal. The FAA is reopening the comment period to allow the public the chance to comment on the revised proposed action and whether the revised proposed action would have a significant economic impact on a substantial number of small entities. The FAA is proposing this AD to address the unsafe condition on these products and the agency is requesting comments on this SNPRM.

DATES: The FAA must receive comments on this SNPRM by [INSERT DATE 45 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 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.

AD Docket: You may examine the AD docket at regulations.gov under Docket No. FAA-2020-1076; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains the NPRM, this SNPRM, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

• For service information identified in this SNPRM, contact Viking Air Limited Technical Support, 1959 De Havilland Way, Sidney, British Columbia, Canada, V8L 5V5; phone: (800) 663-8444; fax: (250) 656-0673; email: technical.support@vikingair.com; website: vikingair.com/support/service-bulletins.

• You may view this service information at the FAA, Airworthiness Products Section, Operational Safety Branch, 901 Locust, Kansas City, MO 64106. For information on the availability of this material at the FAA, call (817) 222-5110.

FOR FURTHER INFORMATION CONTACT: Deep Gaurav, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (817) 228-3731; email: 9-avs-nyaco-cos@faa.gov.

SUPPLEMENTARY INFORMATION:

Comments Invited

The FAA invites you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under ADDRESSES. Include "Docket No. FAA-2020-1076; Project Identifier MCAI-2020-01201-A" at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may again revise this proposal because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to regulations.gov, including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this SNPRM.

Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this SNPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this SNPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as "PROPIN." The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this SNPRM. Submissions containing CBI should be sent to Deep Gaurav, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590.

Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

Background

The FAA issued an NPRM to amend 14 CFR part 39 by adding an AD that would apply to all Viking Model DHC-3 airplanes. The NPRM published in the *Federal Register* on February 8, 2022 (87 FR 7059). The NPRM was prompted by AD CF-2018-04, dated January 19, 2018, issued by Transport Canada, which is the aviation authority for Canada (referred to after this as "the MCAI"). The MCAI states that Viking developed a supplementary inspection and corrosion control program for aging airplanes, which identifies specific locations of an airplane that must be inspected to ensure corrosion-related degradation does not result in an unsafe condition.

The MCAI requires doing all inspections specified in Part 2 of Viking DHC-3 Otter Supplemental Inspection and Corrosion Control Manual, PSM 1-3-5, Revision IR, dated December 21, 2017 (Viking PSM 1-3-5, Revision IR), doing applicable corrective actions using Part 3 of Viking PSM 1-3-5, Revision IR, and reporting to Viking Level 2 and Level 3 corrosion as specified in Part 3 of Viking PSM 1-3-5, Revision IR.

Corrosion, wear, and fatigue-related degradation, if not addressed, could lead to structural failure with consequent loss of control of the airplane.

You may examine the MCAI in the AD docket at regulations.gov under Docket No. FAA-2020-1076.

In the NPRM, the FAA proposed to require establishing a corrosion prevention and control program to identify and correct corrosion and cracking. In the NPRM, the FAA also proposed to require completing all of the initial tasks identified in the program and reporting corrosion findings to Viking.

Actions Since the NPRM was Issued

Since the FAA issued the NPRM, the FAA revised the proposed actions specified in the NPRM. In the NPRM, the FAA proposed to require establishing a corrosion prevention and control program approved by the FAA. In this SNPRM the FAA proposes to require incorporating into the existing maintenance records for your airplane the actions specified in Parts 2 and 3 of Viking PSM 1-3-5, Revision IR.

In addition, the FAA is reopening the comment period to allow the public the chance to comment on whether the proposed AD would have a significant economic impact on a substantial number of small entities. The FAA is proposing this AD to address the unsafe condition on these products.

Comments

The FAA received comments from three commenters. The commenters were Taquan Air, Talkeetna Air Taxi, and an individual. The following presents the comments received on the NPRM and the FAA's response to each comment.

Request to Withdraw the NPRM: Lack of Data on Corrosion-related Accidents

Taquan Air and an individual commenter stated that they were not aware of any corrosion-related accidents involving the affected airplanes. The individual commenter noted that ADs are supposed to be driven by accidents and incidents that result in injury and/or death and stated that if this is correct, then there is no justification for the NPRMs that would be applicable to the Beavers [Model DHC-2 airplanes] and Otters [Model DHC-3 airplanes]. The individual commenter asked how aviation would be made better by issuing the NPRMs that would be applicable to two dependable and reliable airplanes. The FAA infers that these commenters are requesting that the FAA withdraw the NPRM.

The FAA does not agree with the commenters' requests to withdraw the NPRM. According to 14 CFR 39.5, the issuance of an AD is based on the finding that an unsafe condition exists or is likely to exist or develop in other products of the same type design.

This section of the Federal Aviation Regulations does not specify that an accident is necessary for the FAA to determine that there is an unsafe condition. In this case, the FAA independently reviewed the MCAI and related service information and determined an unsafe condition exists and an AD is needed to address that unsafe condition. Further, it is within the FAA's authority and responsibility to issue ADs to require actions to address unsafe conditions that are not otherwise being addressed (or are not addressed adequately) by routine maintenance procedures. In addition, based upon detailed airplane tear-down inspections performed by Viking (the design approval holder), the FAA has determined that the existing maintenance procedures and inspections will not adequately detect corrosion. Although this SNPRM is not tied to a specific corrosion-related accident, the FAA has determined that undetected corrosion could exist and lead to structural failure. The FAA has a responsibility to issue ADs to correct identified unsafe conditions in aircraft, regardless of the location or cause. The FAA has not changed this SNPRM regarding this issue.

Request to Withdraw NPRM: Impact on Small Entities

Taquan Air and an individual commenter expressed concern regarding the financial impact of the NPRM on small entities. The individual commenter asked if the FAA considered the financial burden on operators. This commenter explained that there are not enough mechanics and asked how a company with Beavers and Otters could stay in business trying to create and get two corrosion programs up at the same time and maintain the flying aircraft. Taquan Air stated that the NPRM was targeting a specific type of operator and would financially burden just Beaver and Otter operators.

The FAA acknowledges the commenters' concerns and infers that the commenters are requesting that the NPRM be withdrawn due to the perceived adverse economic impact on small entities. Under 14 CFR 39.1, issuance of an AD is based on the finding that an unsafe condition exists or is likely to develop in aircraft of a particular

type design. An aging airplane requires more attention during maintenance procedures and, at times, more frequent inspections of structural components to detect damage due to environmental deterioration, accidental damage, and fatigue. The unsafe condition addressed in this SNPRM includes undetected corrosion, which could lead to structural failure and consequent loss of control of the airplane. Inspections and repair are therefore necessary to detect and correct such corrosion before it leads to structural failure. The FAA has not changed this SNPRM regarding this issue.

Regarding the question of the NPRM having a significant economic impact on a substantial number of small entities, the FAA has developed an IRFA for this proposed action and a reason for issuing this SNPRM is to solicit comments on the IRFA.

Request to Supersede Certain ADs for Viking Model DHC-3 Airplanes

Talkeetna Air Taxi requested that the NPRM be revised to supersede certain ADs for Viking Model DHC-3 airplanes that include inspections requirements. The commenter explained that Viking PSM 1-3-5, Revision IR, is a broad and detailed document, and stated that if operators chose to use Viking PSM 1-3-5, Revision IR, to establish a corrosion control program, then the repetitive inspections required by those ADs would be redundant and those AD should be superseded.

The FAA disagrees with the commenter's request. The FAA has reviewed all potentially related ADs against the proposed requirements in this SNPRM and determined that no ADs need to be superseded or rescinded. If an operator identifies an inspection that it considers to be redundant, the operator can request an alternative method of compliance (AMOC) by using the procedures specified in paragraph (i) of this SNPRM.

Request to Add Airplanes to Aging Aircraft or Other Existing Rulemaking

Taquan Air and an individual commenter requested that the unsafe condition be addressed by adding Viking Model DHC-3 airplanes to the Aging Aircraft rule (14 CFR

135.422), rather than through the NPRM. The commenters noted that doing so would evenly spread the burden, rather than having different corrosion control policies for different airplane models. Taquan Air noted that airplanes operating in Alaska have been exempted from the Aging Aircraft rule. Both commenters suggested that 14 CFR part 43 appendix D (which specifies the scope and detail of items to be included in annual and 100-hour inspections) be rewritten to address corrosion. The individual commenter added that 14 CFR 135.422 should apply to all part 135 operators, with a similar 14 CFR regulation applicable to part 91 operators.

The FAA disagrees with adding this to the Aging Aircraft rule. The proposed action would address a known unsafe condition on the structure of Viking Model DHC-3 airplanes. If the FAA finds that other aircraft have similar issues to the affected airplanes, the FAA would look at appropriate rulemaking for those aircraft also. For the Viking Model DHC-3 airplanes, the FAA has determined that annual and 100-hour inspections are currently not adequate to address the unsafe condition identified in this SNPRM. The FAA has a responsibility to address an unsafe condition that is not addressed by general maintenance by issuing an AD. Therefore, the proposed actions of this SNPRM are the appropriate way of addressing the unsafe condition. Adding inspections for corrosion to 14 CFR part 43 appendix D to address the unsafe condition identified in this SNPRM is not appropriate because that corrective action would not be limited to the products affected by this unsafe condition. 14 CFR part 43 appendix D contains general inspections that are not specific to individual products. Therefore, issuing an AD is the appropriate vehicle for addressing this identified unsafe condition. The FAA has not changed this SNPRM regarding this issue.

Request to Revise Requirements Based on Airplane Usage Conditions

Taquan Air asked if the operating environment, including the use of floats, wheels, or skis, would be considered when the FAA reviewed the corrosion prevention program. The FAA infers that the commenter is requesting a change to the NPRM based on different airplane operational usage.

The FAA disagrees with the commenter's request to change the NPRM based on different airplane operational usage. There is no current requirement to track the hours spent flying in different conditions or types of water. Additionally, operators may not know the entire flight history of an airplane. Without this detailed knowledge of each airplane, it would be impossible for the FAA to develop a special set of inspections based on airplane usage conditions. However, operators may submit a proposal for revised requirements by requesting an AMOC using the procedures specified in paragraph (i) of this SNPRM. The FAA has not changed this SNPRM regarding this issue.

Request to Clarify Process for Creating Corrosion Prevention and Control Program

Taquan Air and an individual commenter asked for clarity regarding the process of creating and getting approval for a corrosion prevention and control program. Taquan Air asked how long it would take to get a program approved. Taquan Air also asked if the Viking corrosion control program is an approved method for establishing a corrosion prevention and control program. Taquan Air suggested that the FAA establish areas that need to be in the program and an outline of expectations, so operators can get it correct. The individual commenter suggested it is unfair for the FAA to require operators to develop a program without the proper qualifications, experience, or training. That same commenter suggested that the lack of guidance and procedures would leave room for interpretation, leading to multiple exchanges with the FAA and an ever-evolving process that could lead to significant delays and could ground airplanes.

The FAA acknowledges the commenters' concerns regarding the creation of a

corrosion prevention and control program and has simplified the proposed actions. This SNPRM would require incorporating the inspections in Parts 2 and 3 of Viking PSM 1-3-5, Revision IR, into the existing maintenance records. In Note 1 to paragraph (g) of the NPRM, the use of Viking PSM 1-3-5, Revision IR, was identified as an acceptable means of compliance but was not required to be used. That note has been removed from this SNPRM and the subsequent note that appeared as Note 2 to paragraph (g) of the NPRM has been has re-identified as Note 1 to paragraph (g) in this proposed AD.

The FAA also acknowledges the commenters' concerns regarding delays and timeliness of approving a prevention and control program, however, since this proposed AD would require operators to incorporate the inspections in Parts 2 and 3 of Viking PSM 1-3-5, Revision IR, into the existing maintenance records, those concerns should be mitigated.

Request to Allow Mechanics to Perform Certain Tasks

An individual commenter requested that "properly trained mechanics" be allowed to perform the non-destructive testing (NDT) inspections (tasks).

The FAA agrees with the commenter's request. Operators can use an in-house properly trained individual with qualifications equivalent to Level II or Level III to do the NDT inspections. FAA Advisory Circular 65-31B, *Training, Qualification, and Certification of Nondestructive Inspection Personnel*, dated February 24, 2014, contains FAA-approved Level II and Level III qualification standards criteria for inspection personnel doing NDT inspections. Viking PSM 1-3-5, Revision IR, specifies that personnel certified as Level II or higher, as acceptable to the operator's cognizant airworthiness authority, can do the NDT inspections. The FAA has not changed this SNPRM regarding this issue.

Related Service Information under 1 CFR Part 51

The FAA reviewed Viking PSM 1-3-5, Revision IR, which specifies procedures for inspecting areas of the airplane that are particularly susceptible to corrosion, wear, and fatigue-related degradation. Viking PSM 1-3-5, Revision IR, also specifies repetitive inspection intervals, defines the different levels of corrosion, and provides corrective action if corrosion is found.

This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in ADDRESSES.

Other Related Service Information

The FAA also reviewed Viking DHC-3 Otter Service Bulletin V3/0010, Revision NC, dated March 19, 2020. The service bulletin provides a list of new inspection tasks that have been added to the DHC-3 maintenance program in Viking PSM 1-3-5, Revision IR.

FAA's Determination

These products have been approved by the aviation authority of another country and are approved for operation in the United States. Pursuant to the FAA's bilateral agreement with this State of Design Authority, it has notified the FAA of the unsafe condition described in the MCAI and service information described above. The FAA is issuing this SNPRM after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design. At the request of some commenters, the FAA is reopening the comment period of this SNPRM to allow the public the chance to comment on the economic impact on a substantial number of small entities. This SNPRM also contains the changes discussed previously.

Proposed AD Requirements in this SNPRM

This proposed AD would require within 90 days after the effective date of the final rule, incorporating into the existing maintenance records the actions specified in

Parts 2 and 3 of Viking PSM 1-3-5, Revision IR, and doing each initial task within 6 months after the effective date of the proposed AD or at the threshold for each applicable task specified in Part 3 of Viking Product Support Manual PSM 1-3-5, Revision IR, whichever occurs later. This proposed AD would also require reporting corrosion findings to Viking.

ADs Mandating Airworthiness Limitations (ALS)

The FAA has previously mandated airworthiness limitations by issuing ADs that require revising the ALS of the existing maintenance manual or instructions for continued airworthiness to incorporate new or revised inspections. This proposed AD, however, would require establishing and incorporating new inspections into the existing maintenance records required by 14 CFR 91.417(a)(2) or 135.439(a)(2) for your airplane. The FAA does not intend this as a substantive change. Requiring incorporation of the new ALS requirements into the existing maintenance records, rather than requiring individual repetitive inspections and replacements, allows operators to record AD compliance once after updating the existing maintenance records, rather than recording compliance after every inspection and part replacement.

Impact on Intrastate Aviation in Alaska

In light of the heavy reliance on aviation for intrastate transportation in Alaska, the FAA has fully considered the effects of this SNPRM (including costs to be borne by affected operators) from the earliest possible stages of AD development. As previously stated, 14 CFR part 39 requires operators to correct an unsafe condition identified on an airplane to ensure operation of that airplane in an airworthy condition. The FAA has determined that the need to correct corrosion, wear, and fatigue-related degradation in aging aircraft, which could lead to structural failure with consequent loss of control of the airplane, outweighs any impact on aviation in Alaska.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 68 airplanes of U.S. registry. The FAA also estimates that it would take about 1 work-hour per airplane at a labor rate of $85 per work-hour to revise the existing maintenance records.

Based on these figures, the FAA estimates the cost of the proposed AD on U.S. operators to be $5,780 or $85 per airplane.

The FAA estimates it would take about 1 work-hour to report any Level 2 corrosion found during the proposed initial or subsequent inspections or any Level 3 corrosion found during the proposed initial or subsequent inspections, for an estimated cost of $85 per airplane.

Paperwork Reduction Act

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0056. Public reporting for this collection of information is estimated to take approximately 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Authority for this Rulemaking

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.

The FAA is 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.

Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980, Public Law 96-354, 94 Stat. 1164 (5 U.S.C. 601-612) (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 RFA. Based on the comments received following publication of the NPRM, the FAA has completed an IRFA and requests 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.

Initial Regulatory Flexibility Act Analysis

The RFA, as amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104-121, 110 Stat. 857, Mar. 29, 1996) and the Small Business Jobs Act of 2010 (Pub. L. 111-240, 124 Stat. 2504, Sept. 27, 2010), requires Federal agencies to consider the effects of the regulatory action on small business and other small entities and to minimize any significant economic impact. The term ''small entities'' comprises small businesses and small organizations that are independently owned and operated and are not dominant in their fields, and small governmental jurisdictions with populations of less than fifty thousand (50,000).

The FAA is publishing this IRFA to aid the public in commenting on the potential impacts to small entities from this proposal. The FAA invites interested parties to submit data and information regarding the potential economic impact that would result from the proposal. The FAA will consider comments when making a determination or when completing a Final Regulatory Flexibility Assessment.

Under Sections 603(b) and (c) of the RFA, the initial regulatory flexibility analysis for a proposed rule must contain the following:

(1) A description of the reasons why the action by the agency is being considered;

(2) A succinct statement of the objectives of, and legal basis for, the proposed rule;

(3) A description of and, where feasible, an estimate of the number of small entities to which the proposed rule will apply;

(4) A description of the projected reporting, recordkeeping, and other compliance requirements of the proposed rule, including an estimate of the classes of small entities

which will be subject to the requirement and the type of professional skills necessary for preparation of the report or record;

(5) An identification, to the extent practicable, of all relevant Federal rules that may duplicate, overlap, or conflict with the proposed rule; and

(6) A description of any significant alternatives to the proposed rule which accomplish the stated objectives of applicable statutes and which minimize any significant economic impact of the proposed rule on small entities.

1. Reasons the Action is Being Considered

The FAA issued an NPRM that proposed to adopt a new AD for Viking Model DHC-3 airplanes. This proposed AD results from MCAI originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The NPRM proposed to require establishing a corrosion prevention and control program to identify and correct corrosion and cracking. The NPRM also proposed to require completing all of the initial tasks identified in the program and reporting corrosion findings to Viking.

2. Objectives and Legal Basis of the Proposed Rule

The objective of the actions proposed in this SNPRM is to meet the same safety intent as those actions proposed in the NPRM. The FAA issued the NPRM under the authority described in Title 49, Subtitle VII, Part A, Subpart III, Section 44701, General requirements. Under that section, the FAA is charged with promoting safe flight of civil aircraft in air commerce by prescribing minimum safety standards required in the interest of safety. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on Viking Model DHC-3 airplanes.

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.

3. Description and Estimate of the Number of Small Entities

The FAA used the definition of small entities in the RFA for this analysis. The RFA defines small entities as small businesses, small governmental jurisdictions, or small organizations. In 5 U.S.C. section 601(3), the RFA defines "small business" to have the same meaning as "small business concern" under section 3 of the Small Business Act. The Small Business Act authorizes the Small Business Administration (SBA) to define "small business" by issuing regulations.

SBA (2022) has established size standards for various types of economic activities, or industries, under the North American Industry Classification System (NAICS).[1] These size standards generally define small businesses based on the number of employees or annual receipts.

The FAA identified 68 Viking Model DHC-3 airplanes that would be affected by the proposed AD. These 68 airplanes are registered to 32 private firms and 5 individuals. The individuals are excluded from this analysis as they presumably are not small entities under the RFA.

[1] Small Business Administration (SBA). 2022. Table of Size Standards. Effective July 14, 2022. https://www.sba.gov/document/support-table-size-standards.

The 32 private firms own 63 airplanes. Of these firms, the FAA was able to obtain the data necessary to classify 21 of them.[2] All but one firm qualify as small entities under the RFA. Thus, the FAA estimates that this rule would impact 20 small entities. For these 20 small entities, the results of the of the cost impact analysis are shown in Table 1, "Cost Impact on Small Entities."

4. Projected Reporting, Recordkeeping, and Other Compliance Requirements

The FAA estimates that the AD costs per airplane would be 1 work hour plus $85 in reporting costs for the initial inspection, for a total of $170. The estimated cost of this proposed AD, per small entity, is shown in the "Cost" column of Table 1 and cost impact is measured by cost as a percentage of revenues. As the table shows, the mean cost impact is 0.1% of annual revenues,[3] with a maximum impact of 0.46% of annual revenues, and a minimum impact below 0.01%. This impact did not vary with firm size; the largest cost impact was only 0.5%, which is still not considered significant. Costs under 1% of revenues for all of the small entities lead the FAA to conclude that this proposed rule would s not have a significant impact on a substantial number of small entities.

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[2] Firm revenue and employee count are drawn from online sources, including: Dun & Bradstreet, Inc. (www.dnb.com); Manta Media, Inc. (www.manta.com); Buzzfile Media, Inc. (www.buzzfile.com); Datanyze, Inc. (www.datanyze.com); Moody's Analytics (start.cortera.com); GeneralLiabilityInsure.com (generalliabilityinsure.com); Kona Equity (www.konaequity.com); and ZoomInfo Technologies LLC (www.zoominfo.com).

[3] These revenue data come from online sources such as zoominfo.com, opencorporates.com, buzzfile.com, manta.com, allbiz.com, and lookupcompanyrevenue.com.

Table 1. Cost Impact on Small Entities

Firm	No. Acft	Revenue ($1,000)	Cost ($1,000)	Cost / Revenue	NAICS Code	Size Standard	NAICS Industry
SUMMIT LEASING LLC	3	110	0.2	0.00%	532490	$35 mn	Other Comm'l and Industrial Mach. and Equip. Rental & Leasing
KATMAI AIR LLC	2	117	0.2	0.00%	532411	$40 mn	Comm'l Air, Rail, and Water Transp. Equip. Rental & Leasing
JESPERSEN AIRCRAFT SERVICES INC	1	113	1.9	0.00%	481219	$22 mn	Other Nonscheduled Air Transportation
DOYON AIR TRANSPORT LLC	1	127	1.0	0.01%	488999	$22 mn	All Other Support Activities for Transportation
RED LEASING LLC	2	359	0.2	0.01%	532490	$35 mn	Other Comm'l and Industrial Mach. and Equip. Rental & Leasing
RAINBOW KING LODGE INC	1	209	0.2	0.02%	721199	$8 mn	All Other Traveler Accommodation
PANTECHNICON AVIATION LTD	1	235	0.2	0.02%	532411	$40 mn	Comm'l Air, Rail, and Water Transp. Equip. Rental & Leasing
EMERALD AIR SERVICE INC	1	250	1.0	0.02%	481219	$22 mn	Other Nonscheduled Air Transportation
BLUE AIRCRAFT LLC	2	750	0.2	0.02%	483000	1500 emp.	Scheduled Passenger Air Transportation
TALON AIR SERVICE INC	1	520	0.2	0.02%	481219	$22 mn	Other Nonscheduled Air Transportation
BALD MOUNTAIN AIR SERVICE INC	1	700	0.2	0.03%	481219	$22 mn	Other Nonscheduled Air Transportation
NORTHWEST SEAPLANES INC	1	750	0.3	0.05%	481111	1500 emp.	Scheduled Passenger Air Transportation
TALKEETNA AIR TAXI INC	6	4,600	0.2	0.07%	481211	1500 emp.	Nonscheduled Chartered Passenger Air Transportation
GOLDEN EAGLE OUTFITTERS INC	1	960	0.2	0.07%	713990	$8 mn	All Other Amusement and Recreation Industries
MUNICH HANS W DBA	1	998	0.2	0.08%	481219	$22 mn	Other Nonscheduled Air Transportation
DESTINATION ALASKA ADVENTURE CO LLC	1	1,300	0.3	0.09%	481211	1500 emp.	Nonscheduled Chartered Passenger Air Transportation
RUSTAIR INC	6	10,224	0.2	0.13%	532411	$40 mn	Comm'l Air, Rail, and Water Transp. Equip. Rental & Leasing
KENMORE AIR HARBOR LLC	11	51,500	0.2	0.15%	481111	1500 emp.	Scheduled Passenger Air Transportation
RAPIDS CAMP LODGE INC	1	7,000	0.3	0.29%	721214	$8 mn	Recreational and Vacation Camps (except Campgrounds)
BANK OF UTAH TRUSTEE	1	90,000	0.5	0.46%	522110	$750 mn in assets	Commercial Banking
Total	**45**	**$170,822**	**$7.70**				
Average		**$8,541**	**$0.38**	**0.06%**			

Median	**$725**	**$0.17**	**0.02%**

Notes: 1. The size standard is the maximum size for the NAICS industry considered by the SBA to be a small entity.
2. AD costs per airplane are 1 work hour x $85 + $85 reporting costs for initial inspection, for a total of $170.

5. All Federal Rules That May Duplicate, Overlap, or Conflict

There are no relevant Federal rules that may duplicate, overlap, or conflict with the proposed rule.

6. Significant Alternatives Considered

The FAA did not find any significant regulatory alternatives to the proposed AD that would still accomplish the safety objectives of this proposed AD.

Regulatory Findings

The FAA determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would not have a substantial direct effect 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.

For the reasons discussed above, I certify this proposed regulation:

(1) Is not a "significant regulatory action" under Executive Order 12866,

(2) Would not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the RFA.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

PART 39 - AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. The FAA amends § 39.13 by adding the following new airworthiness directive:

Viking Air Limited (Type Certificate Previously Held by Bombardier Inc. and de Havilland, Inc.): Docket No. FAA-2020-1076; Project Identifier MCAI-2020-01201-A**.**

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

(b) Affected ADs

None.

(c) Applicability

This AD applies to Viking Air Limited (type certificate previously held by Bombardier Inc. and de Havilland, Inc.) Model DHC-3 airplanes, all serial numbers, certificated in any category.

(d) Subject

Joint Aircraft System Component (JASC) Code 2700, Flight Control System.

(e) Unsafe Condition

This AD was prompted by mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI describes the unsafe condition as corrosion, wear, and fatigue-related degradation in aging aircraft. The FAA is issuing this AD to detect and address corrosion and cracking. This condition, if not addressed, could lead to structural failure with consequent loss of control of the airplane.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Required Actions

(1) Within 90 days after the effective date of this AD, incorporate into the existing maintenance records required by 14 CFR 91.417(a)(2) or 135.439(a)(2), as applicable for

your airplane, the actions and associated thresholds and intervals, including life limits, specified in Parts 2 and 3 of Viking DHC-3 Otter Supplemental Inspection and Corrosion Control Manual, PSM 1-3-5, Revision IR, dated December 21, 2017 (Viking PSM 1-3-5, Revision IR). Do each initial task within 6 months after the effective date of this AD or at the threshold for each applicable task specified in Part 3 of Viking Product Support Manual PSM 1-3-5, Revision IR, whichever occurs later. Where Viking PSM 1-3-5, Revision IR, specifies contacting Viking regarding a component's alloy and heat treat condition, this AD requires contacting the Manager, International Validation Branch, FAA, Transport Canada, or Viking's Transport Canada Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

Note 1 to paragraph (g)(1): Viking DHC-3 Otter Service Bulletin V3/0010, Revision NC, dated March 19, 2020, contains additional information related to this AD.

(2) After the action required by paragraph (g)(1) of this AD has been done, no alternative actions and associated thresholds and intervals, including life limits, are allowed unless they are approved as specified in paragraph (i) of this AD.

(h) Reporting

(1) For inspections done after the effective date of this AD, report to Viking any Level 2 or Level 3 corrosion, as specified in Viking PSM 1-3-5, Revision IR, at the times specified in and in accordance with part 3, paragraph 5, of Viking PSM 1-3-5, Revision IR.

(2) For inspections done before the effective date of this AD, within 30 days after the effective date of this AD report to Viking any Level 2 or Level 3 corrosion, as specified in Viking PSM 1-3-5, Revision IR, in accordance with part 3, paragraph 5, of Viking PSM 1-3-5, Revision IR.

(i) Alternative Methods of Compliance (AMOCs)

(1) The Manager, International Validation Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the International Validation Branch, mail it to the address identified in paragraph (j)(2) of this AD or email to: 9-AVS-AIR-730-AMOC@faa.gov. If mailing information, also submit information by email.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(3) An AMOC that provides an acceptable level of safety may be used for any repair, modification, or alteration required by this AD if it is approved specifically for this AD by the Manager, International Validation Branch, FAA.

(j) Additional Information

(1) Refer to Transport Canada AD CF-2018-04, dated January 19, 2018, for related information. This Transport Canada AD may be found in the AD docket at regulations.gov under Docket No. FAA-2020-1076.

(2) For more information about this AD, contact Deep Gaurav, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (817) 228-3731; email: 9-avs-nyaco-cos@faa.gov.

(3) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (k)(3) and (4) of this AD.

(k) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this service information as applicable to do the actions required by this AD, unless the AD specifies otherwise.

(i) Viking DHC-3 Otter Supplemental Inspection and Corrosion Control Manual, PSM 1-3-5, Revision IR, dated December 21, 2017.

(ii) [Reserved]

(3) For service information identified in this AD, contact Viking Air Limited Technical Support, 1959 De Havilland Way, Sidney, British Columbia, Canada, V8L 5V5; phone: (800) 663-8444; fax: (250) 656-0673; email: technical.support@vikingair.com; website: vikingair.com/support/service-bulletins.

(4) You may view this service information at the FAA, Airworthiness Products Section, Operational Safety Branch, 901 Locust, Kansas City, MO 64106. For information on the availability of this material at the FAA, call (817) 222-5110.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, email: fr.inspection@nara.gov, or go to: www.archives.gov/federal-register/cfr/ibr-locations.html.

Issued on June 21, 2023.

Michael Linegang, Acting Director,
Compliance & Airworthiness Division,
Aircraft Certification Service.

[FR Doc. 2023-13617 Filed: 6/27/2023 8:45 am; Publication Date: 6/28/2023]