

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2008-0070; Directorate Identifier 2007-CE-098-AD]

RIN 2120-AA64

#### Airworthiness Directives; Pilatus Aircraft Ltd. Model PC-12, PC-12/45, and PC-12/47 Airplanes

**AGENCY:** Federal Aviation Administration (FAA), Department of Transportation (DOT).

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** We propose to adopt a new airworthiness directive (AD) for the products listed above. This proposed AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. This proposed AD would require inserting changes into the airworthiness limitations of the FAA-approved maintenance program. The proposed AD would require actions that are intended to address the unsafe condition described in the MCAI.

**DATES:** We must receive comments on this proposed AD by February 25, 2008.

**ADDRESSES:** You may send comments 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:** U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

### Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov>; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Office (telephone (800) 647-5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

#### FOR FURTHER INFORMATION CONTACT:

Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4059; fax: (816) 329-4090.

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include "Docket No. FAA-2008-0070; Directorate Identifier 2007-CE-098-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD because of those comments.

We will post all comments we receive, without change, to <http://www.regulations.gov>, including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this proposed AD.

#### Discussion

Based on the results of a full-scale fatigue test of the pitch trim actuator on Pilatus Aircraft Ltd. (Pilatus) PC-12 series airplanes, the life-limit is being extended and the time between overhaul (TBO) is being reduced. In addition, based on the result of the fatigue test, a life-limit of the pitch trim actuator attachment has been established.

These new limitations have been incorporated into the Airworthiness Limitations section of the Pilatus PC-12 Airplane Maintenance Manual (AMM)

12-A/AMP-04, chapter 4, revision 10, dated October 26, 2007. The life-limit of the pitch trim actuator has been increased based on the owner/operator complying with the new reduced TBO of 5,000 hours time-in-service (TIS) or 5 years, whichever occurs first.

The new limitations for the pitch trim actuator TBO have been moved from Chapter 5: Time Limits/Maintenance Checks, to Chapter 4: Structural, Component and Miscellaneous—Airworthiness Limitations. Since both chapter 4 and chapter 5 are mandatory within the European and Swiss airworthiness systems, it is not necessary for the European Aviation Safety Agency (EASA) and the Federal Office of Civil Aviation (FOCA) to issue an AD to mandate these new limitations.

Proposing AD action is the only way the FAA can mandate change to the airworthiness limitations section of an FAA-approved maintenance program.

If these new limitations are not mandated, the pitch trim actuator and the pitch trim actuator components could fail. This failure could lead to an unsafe flying configuration.

Revisions to the Airworthiness Limitations section of AMM 12-A/AMP-04 incorporate the following:

- TBO for the pitch trim actuator is reduced from 6,000 hours TIS or 5 years, whichever occurs first, to 5,000 hours TIS or 5 years, whichever occurs first;
- The life-limit for the pitch trim actuator is increased from 10,000 hours TIS or 13,500 flights, whichever occurs first, to 20,000 hours TIS or 27,000 flights, whichever occurs first; and
- A life-limit of 10,000 hours TIS is introduced for the pitch trim actuator attachment parts.

#### FAA's Determination and Requirements of the Proposed AD

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with this State of Design Authority, they have notified us of the unsafe condition described above. We are proposing this AD because we evaluated all information and determined the unsafe condition exists and is likely to exist or develop on other products of the same type design.

### Differences Between This Proposed AD and the MCAI or Service Information

We have reviewed the MCAI and related service information and, in general, agree with their substance. But we might have found it necessary to use different words from those in the MCAI to ensure the AD is clear for U.S. operators and is enforceable. In making these changes, we do not intend to differ substantively from the information provided in the MCAI and related service information.

We might also have proposed different actions in this AD from those in the MCAI in order to follow FAA policies. Any such differences are highlighted in a NOTE within the proposed AD.

### Costs of Compliance

We estimate that this proposed AD would affect about 500 products of U.S. registry. We also estimate that it would take about .5 work-hour per product to comply with the basic requirements of this proposed AD. The average labor rate is \$80 per work-hour.

Based on these figures, we estimate the cost of the proposed AD on U.S. operators to be \$20,000, or \$40 per product.

In addition, we estimate that any necessary follow-on actions (the replacements required by the limitations changes) would take about 3.5 work-hours and require parts costing \$11,960, for a cost of \$12,240 per product.

### 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.

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.

### Regulatory Findings

We 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. Is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and
3. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

We prepared a regulatory evaluation of the estimated costs to comply with this proposed AD and placed it in the AD docket.

### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, 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 AD:

**Pilatus Aircraft Ltd.:** Docket No. FAA-2008-0070; Directorate Identifier 2007-CE-098-AD.

#### Comments Due Date

- (a) We must receive comments by February 25, 2008.

#### Affected ADs

- (b) None.

#### Applicability

- (c) This AD applies to Models PC-12, PC-12/45, and PC-12/47 airplanes, all serial numbers, certificated in any category.

#### Subject

- (d) Air Transport Association of America (ATA) Code 27: Flight Controls.

#### Reason

- (e) This AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. We are issuing this AD to mandate new life-limits for the pitch trim actuator and pitch trim actuator attachment parts. If these new

limitations are not mandated, the pitch trim actuator and the pitch trim actuator components could fail. This failure could lead to an unsafe flying configuration.

### Actions and Compliance

- (f) Unless already done, do the following within the next 30 days after the effective date of this AD.

(1) Insert unclassified document 12-A/AMP-04, Structural, Component and Miscellaneous—Airworthiness Limitations, 12-A-04-00-00A-000A-A, dated October 26, 2007 (Pilatus PC-12 Airplane Maintenance Manual, Chapter 4), into the airworthiness limitations section of the FAA-approved maintenance program (e.g., maintenance manual). You may use any future amendment to this airworthiness limitations section provided it does not change the inspection intervals, requirements, or the life-limits for the pitch trim actuator and pitch trim actuator attachment parts of the document referenced above. The owner/operator holding at least a private pilot certificate as authorized by section 43.7 of the Federal Aviation Regulations (14 CFR 43.7) may do this action. Make an entry in the aircraft records showing compliance with this portion of the AD following section 43.9 of the Federal Aviation Regulations (14 CFR 43.9).

(2) In order to avoid confusion with the new pitch trim actuator limitations now contained in chapter 4 (previously contained in chapter 5) make pen and ink changes in chapter 5 and line through references to limitations for the pitch trim actuator.

### FAA AD Differences

**Note:** This AD differs from the MCAI and/or service information as follows: No differences.

### Other FAA AD Provisions

- (g) The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, Standards Office, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4059; fax: (816) 329-4090. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

(2) *Airworthy Product:* For any requirement in this AD to obtain corrective actions from a manufacturer or other source, use these actions if they are FAA-approved. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent). You are required to assure the product is airworthy before it is returned to service.

(3) *Reporting Requirements:* For any reporting requirement in this AD, under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), the Office of Management and Budget (OMB) has

approved the information collection requirements and has assigned OMB Control Number 2120-0056.

Issued in Kansas City, Missouri, on January 17, 2008.

**James E. Jackson,**

*Acting Manager, Small Airplane Directorate,  
Aircraft Certification Service.*

[FR Doc. E8-1245 Filed 1-24-08; 8:45 am]

**BILLING CODE 4910-13-P**

## COMMODITY FUTURES TRADING COMMISSION

### 17 CFR Parts 3 and 30

**RIN 3038-AC26**

### Exemption From Registration for Certain Firms With Regulation 30.10 Relief

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Proposed rules.

**SUMMARY:** The Commodity Futures Trading Commission ("Commission") is proposing to amend the regulations regarding the registration of certain firms located outside the U.S. that are engaged in commodity interest activities with respect to trading on U.S. designated contract markets ("DCMs") and U.S. derivative transaction execution facilities ("DTEFs").<sup>1</sup> The amended regulation would codify past actions of the Commission's staff permitting certain foreign firms that have confirmed relief from registration as futures commission merchants ("FCMs") in accordance with the regulations to introduce to registered FCMs certain U.S. customers in connection with trading U.S. DCM and DTEF listed futures and commodity options without having to register as an introducing broker pursuant to section 4d of the Commodity Exchange Act ("Act"). The Commission also is proposing to revoke the regulations regarding quarterly reporting requirements for foreign futures and foreign options transactions.

**DATES:** Comments must be received on or before February 25, 2008.

**ADDRESSES:** Comments may be submitted, identified by RIN 3038-AC26, by any of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: [secretary@cftc.gov](mailto:secretary@cftc.gov). Include "Exemption from Registration for

Certain Firms with Regulation 30.10 Relief" in the subject line of the message.

- Fax: 202/418-5521.
- Mail or Courier: Send to David Stawick, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st St., NW., Washington, DC 20581.

All comments received will be posted without change to <http://www.cftc.gov>, including any personal information provided.

#### FOR FURTHER INFORMATION CONTACT:

Andrew V. Chapin, Special Counsel, at (202) 418-5465, Division of Clearing and Intermediary Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581. Electronic mail: [achapin@cftc.gov](mailto:achapin@cftc.gov).

#### SUPPLEMENTARY INFORMATION:

##### I. Background Information

##### A. Registration Requirements for Commodity Interest Activities on U.S. Markets

Part 3 of the Commission's regulations governs the registration of intermediaries engaged in the offer and sale of, and providing advice concerning, futures and commodity options traded on U.S. markets, including both DCMs and DTEFs. In particular, Regulation 3.10 sets forth the manner in which FCMs, introducing brokers ("IBs"), commodity trading advisors ("CTAs"), commodity pool operators ("CPOs") and leverage transaction merchants must apply for registration with the Commission. Regulation 3.10(c) also provides an exemption from registration for certain persons. For example, Regulation 3.10(c)(1) provides an exemption from registration as an FCM for any person trading solely for proprietary accounts, as defined in Regulation 1.3(y).

The Commission recently adopted amendments to Regulation 3.10(c) to codify the Commission's longstanding policy towards certain foreign intermediaries, known as foreign brokers.<sup>2</sup> New Regulation 3.10(c)(2) provides an exemption from registration as an FCM to any foreign broker that limits its customers to persons located outside the U.S. and submits transactions executed on U.S. exchanges for clearing on an omnibus basis through a registered FCM. The Commission also promulgated Regulation 3.10(c)(3) to provide an exemption from registration to any foreign person engaged in the activity of an introducing broker, commodity pool

operator or commodity trading advisor solely on behalf of customers located outside the U.S., provided that all commodity interest transactions are submitted for clearing to a registered FCM.<sup>3</sup>

##### B. Part 30 of the Commission's Regulations

In 1987, the Commission adopted a new Part 30 of its regulations to govern the offer and sale to U.S. persons of futures and option contracts entered into on or subject to the rules of a foreign board of trade.<sup>4</sup> These regulations were promulgated pursuant to Sections 2(a)(1)(A), 4(b) and 4c of the Act, which vest the Commission with exclusive jurisdiction over the offer and sale, in the U.S., of futures and commodity option contracts traded on or subject to the rules of a board of trade, exchange or market located outside of the U.S.

Part 30 sets forth regulations governing foreign futures and foreign option transactions executed on behalf of customers located in the U.S., referred to in the regulations as foreign futures or foreign options customers.<sup>5</sup> For example, Regulation 30.4 requires any person engaged in the activities that are described in the regulation to register with the Commission as an FCM, IB, CPO or CTA, respectively, unless such person claims relief from registration under Part 30. The activities described in Regulation 30.4 essentially are similar to those of an FCM, IB, CPO or CTA defined in the Act, except that the transactions that the person intermediates are conducted on or subject to the rules of a foreign board of trade. The transactions that are subject to regulation and require registration under Part 30 include the solicitation or acceptance of orders for trading any foreign futures or foreign option contract and acceptance of money, securities or property to margin, guarantee or secure any foreign futures or foreign option trades or contracts.<sup>6</sup>

Under Part 30, certain persons located outside the U.S. may obtain an exemption from registration and certain other requirements. For example, under Regulation 30.10 and Appendix A thereto, the Commission may exempt a foreign firm that solicits or accepts orders (and accepts money, securities or property to margin the trades made thereto) from customers located in the U.S. from compliance with certain

<sup>3</sup> *Id.*

<sup>4</sup> 52 FR 28980 (August 5, 1987).

<sup>5</sup> Regulations 30.1(a), (b) and (c), define the terms "foreign futures," "foreign options," and "foreign futures or foreign options customer," respectively.

<sup>6</sup> See Regulation 30.4.

<sup>1</sup> Commission regulations referred to herein are found at 17 CFR Ch. I (2007). References to trading on U.S. DCMs or DTEFs shall include trading that is subject to the rules of such entities as well.

<sup>2</sup> 72 FR 63976 (November 14, 2007).