safety and the safety of property resulting from each permitted flight. This hazard analysis must—

(1) Identify and describe hazards, including but not limited to each of those that result from—

(i) Component, subsystem, or system failures or faults;

(ii) Software errors;

(iii) Environmental conditions;

(iv) Human errors;

(v) Design inadequacies; or

(vi) Procedural deficiencies.

(2) Determine the likelihood of occurrence and consequence for each hazard before risk elimination or mitigation.

(3) Ensure that the likelihood and consequence of each hazard meet the following criteria through risk elimination and mitigation measures:

(i) The likelihood of any hazardous condition that may cause death or serious injury to the public must be extremely remote.

(ii) The likelihood of any hazardous condition that may cause major property damage to the public, major safety-critical system damage or reduced capability, a significant reduction in safety margins, or a significant increase in crew workload must be remote.

(4) Identify and describe the risk elimination and mitigation measures required to satisfy paragraph (a)(3) of this section. The measures must include one or more of the following:

(i) Designing for minimum risk,

(ii) Incorporating safety devices,

(iii) Providing warning devices, or

(iv) Implementing procedures and training.

(5) Demonstrate that the risk elimination and mitigation measures achieve the risk levels of paragraph (a)(3)(i) of this section through validation and verification. Verification includes:

(i) Test data,

(ii) Inspection results, or

(iii) Analysis.

(b) A permittee must carry out the risk elimination and mitigation measures derived from its hazard analysis.

(c) A permittee must ensure the continued accuracy and validity of its hazard analysis throughout the term of its permit.

§ 437.57 Operating area containment.

(a) During each permitted flight, a permittee must contain its reusable suborbital rocket’s instantaneous impact point within an operating area determined in accordance with paragraph (b) and outside any exclusion area defined by the FAA in accordance with paragraph (c) of this section.

(b) An operating area—

(1) Must be large enough to contain each planned trajectory and all expected vehicle dispersions;

(2) Must contain enough unpopulated or sparsely populated area to perform key flight-safety events as required by § 437.59;

(3) May not contain or be adjacent to a densely populated area or large concentrations of members of the public; and

(4) May not contain or be adjacent to significant automobile traffic, railway traffic, or waterborne vessel traffic.

(c) The FAA may prohibit a reusable suborbital rocket’s instantaneous impact point from traversing certain areas within an operating area by designating one or more areas as exclusion areas, if necessary to protect public health and safety, safety of property, or foreign policy or national security interests of the United States. An exclusion area may be confined to a specific phase of flight.

§ 437.59 Key flight-safety event limitations.

(a) A permittee must conduct any key flight-safety event so that the reusable suborbital rocket’s instantaneous impact point from traversing certain areas within an operating area by designating one or more areas as exclusion areas, if necessary to protect public health and safety, safety of property, or foreign policy or national security interests of the United States. An exclusion area may be confined to a specific phase of flight.

(b) A permittee must conduct each reusable suborbital rocket flight so that the reentry impact point does not loiter over a populated area.

§ 437.61 Landing and impact locations.

For a nominal or any contingency abort landing of a reusable suborbital
rocket, or for any nominal or contingency impact or landing of a component of that rocket, a permittee must use a location that—
(a) Is big enough to contain an impact, including debris dispersion upon impact; and
(b) At the time of landing or impact, does not contain any members of the public.

§ 437.63 Agreements with other entities involved in a launch or reentry.

A permittee must comply with the agreements required by this section.
(a) A permittee must have an agreement in writing with a Federal launch range operator, a licensed launch site operator, or any other party that provides access to or use of property and services required to support the safe launch or reentry under a permit.
(b) Unless otherwise addressed in agreements with a licensed launch site operator or a Federal launch range, a permittee must have an agreement in writing with the following:

(1) For overflight of navigable water, a written agreement between the applicant and the local United States Coast Guard district to establish procedures for issuing a Notice to Mariners before a permitted flight, and
(2) A written agreement between the applicant and responsible Air Traffic Control authority having jurisdiction over the airspace through which a permitted launch or reentry is to take place, for measures necessary to ensure the safety of aircraft. The agreement must, at a minimum, demonstrate satisfaction of §§ 437.69(a) and 437.71(d).

§ 437.65 Collision avoidance analysis.

(a) For a permitted flight with a planned maximum altitude greater than 150 kilometers, a permittee must obtain a collision avoidance analysis from United States Strategic Command.
(b) The collision avoidance analysis must establish each period during which a permittee may not initiate flight to ensure that a permitted vehicle and any jettisoned components do not pass closer than 200 kilometers to a manned or mannable orbital object. A distance of less than 200 kilometers may be used if the distance provides an equivalent level of safety, and if the distance accounts for all uncertainties in the analysis.

§ 437.67 Tracking a reusable suborbital rocket.

A permittee must—
(a) During permitted flight, measure in real time the position and velocity of its reusable suborbital rocket; and
(b) Provide position and velocity data to the FAA for post-flight use.

§ 437.69 Communications.

(a) A permittee must be in communication with Air Traffic Control during all phases of flight.
(b) A permittee must record communications affecting the safety of the flight.

§ 437.71 Flight rules.

(a) Before initiating rocket-powered flight, a permittee must confirm that all systems and operations necessary to ensure that safety measures derived from §§ 437.55, 437.57, 437.59, 437.61, 437.63, 437.65, 437.67, and 437.69 are within acceptable limits.
(b) During all phases of flight, a permittee must—
(1) Follow flight rules that ensure compliance with §§ 437.55, 437.57, 437.59, and 437.61; and
(2) Abort the flight if it would endanger the public.
(c) A permittee may not operate a reusable suborbital rocket in a careless or reckless manner that would endanger any member of the public during any phase of flight.
(d) A permittee may not operate a reusable suborbital rocket in areas designated in a Notice to Airmen under §§ 91.137, 91.138, 91.141, or 91.145 of this title, unless authorized by:
(1) Air Traffic Control; or
(2) A Flight Standards Certificate of Waiver or Authorization.
(e) For any phase of flight where a permittee operates a reusable suborbital rocket like an aircraft in the National Airspace System, a permittee must comply with the provisions of part 91 of this title specified in an experimental permit issued under this part.