

4. Section 400.203 is revised to read as follows:

§ 400.203 Guarantee percentage.

A guarantee issued by the Board may not exceed 85 percent of the amount of the principal of a loan to a Qualified Steel Company. Subject to the provisions of this part, one or more third parties, public or private, may guarantee repayment of part of the Unguaranteed Portion of a loan guaranteed by the Board.

5. Section 400.204 is amended by revising paragraphs (c)(2)(i) and (c)(3) to read as follows:

§ 400.204 Loan terms.

* * * * *

(c) * * *

(2) * * *

(i) A fully perfected and enforceable security interest and/or lien, with first priority over conflicting security interests or other liens in all property acquired, improved or derived from the loan funds;

* * * * *

(3) The entire loan will be secured by the same Security with equal lien priority for the Guaranteed Portion and the Unguaranteed Portion of the loan. The Unguaranteed Portion of the loan will neither be paid first nor given any preference over the Guaranteed Portion. A Supplemental Guarantor shall not have a security interest, direct or indirect, in any asset of the Borrower or any affiliate thereof other than the Security.

* * * * *

6. Section 400.205 is amended by revising paragraph (a), by removing "and" at the end of paragraph (b)(10), by removing the period at the end of paragraph (b)(11) and adding "; and" in its place, and by adding a new paragraph (b)(12) to read as follows:

§ 400.205 Application process.

(a) *Application process.* An original application and three copies must be received by the Board no later than 5 p.m. EST, August 31, 2001 in the Board's offices at 1099—14th Street, NW, Suite 2600 East, Washington, DC 20005. Applications which have been provided to a delivery service with "delivery guaranteed" before 5 p.m. on August 31, 2001 will be accepted for review if the Applicant can document that the application was provided to the delivery service with delivery to the address listed in this section guaranteed prior to the closing date and time. A postmark is not sufficient to meet this deadline as the application must be received by the required date and time.

Applications will not be accepted via facsimile machine transmission or electronic mail.

(b) * * *

(12) A description of any Supplemental Guarantee(s) that will apply to the Unguaranteed Portion of the loan.

* * * * *

7. Section 400.207 is amended by revising paragraph (b)(1) to read as follows:

§ 400.207 Application evaluation.

* * * * *

(b) * * *

(1) The ability of the Borrower to repay the loan by the date specified in the Loan Document, which shall be no later than December 31, 2005. Evaluation of this factor will consider the prospective earning power of the Borrower. An essential and necessary element of the Board's evaluation of whether this criterion is satisfied is whether the applicant has committed to undertake significant efforts to eliminate or reduce economically unviable capacity;

* * * * *

8. Section 400.208 is amended by revising paragraph (a)(3) to read as follows:

§ 400.208 Issuance of the Guarantee.

(a) * * *

(3) The Board's receipt of the Loan Documents and any related instruments, in form and substance satisfactory to the Board, and the Guarantee, all properly executed by the Lender, Borrower, and any other required party other than the Board; and

* * * * *

9. Section 400.210 is revised to read as follows:

§ 400.210 Assignment or transfer of loans.

(a) Neither the Loan Documents nor the Guarantee of the Board may be modified, in whole or in part, without the prior written approval of the Board.

(b) Upon notice to the Board and a certification by the assignor that the assignee is an Eligible Lender, and subject to the provisions of paragraphs (c) and (d) of this section and other provisions of this part, a Lender may assign or transfer its interest in the loan including the Loan documents and the Guarantee to a party that qualifies as an Eligible Lender pursuant to § 400.201. Any other assignment or transfer will require the prior written approval of the Board.

(c) The provisions of paragraph (b) of this section shall not apply to transfers which occur by operation of law.

(d) The Agent must hold and may not assign or transfer an interest in a loan guaranteed under the Program equal to at least the lesser of \$25 million or fifteen percent of the aggregate amount of the loan. In addition, the Agent must hold and may not assign or transfer an interest the Unguaranteed Portion of the loan equal to at least the minimum amount of the loan required to be held by the Agent under the preceding sentence multiplied by the percentage of the loan represented by the Unguaranteed Portion. A non-Agent Lender must hold and may not assign or transfer an interest in the Unguaranteed Portion of the loan representing no less than five percent of such Lender's total interest in the loan; provided, that a non-Agent Lender may transfer its interest in the Unguaranteed Portion after payment of the Guaranteed Portion has been made under the Guarantee.

10. Section 400.215 is added to read as follows:

§ 400.215 Supplemental Guarantees.

The Board will allow the structure of a guaranteed loan to include one or more Supplemental Guarantees that cover the Unguaranteed Portion of the loan; provided that:

(a) There shall be no Supplemental Guarantee with respect to the Unguaranteed Portion required to be held by the Agent pursuant to § 400.210(c);

(b) The Loan Documents relating to any Supplemental Guarantee shall be acceptable in form and substance to the Board; and

(c) In approving the issuance of a Guarantee, the Board may impose any conditions with respect to Supplemental Guarantee(s) relating to the loan that it considers appropriate.

[FR Doc. 01-26337 Filed 10-16-01; 10:41 am]

BILLING CODE 1310-FP-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2001-CE-19-AD; Amendment 39-12471; AD 2001-21-01]

RIN 2120-AA64

Airworthiness Directives; Dornier Luftfahrt GmbH Models 228-100, 228-101, 228-200, 228-201, 228-202, and 228-212 Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that applies to certain Dornier Luftfahrt GmbH (Dornier) Models 228-100, 228-101, 228-200, 228-201, 228-202, and 228-212 airplanes. This AD requires you to repetitively inspect the horizontal stabilizer skin and ribs for damage and cracks and repair any damaged skin or cracked ribs. This AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for Germany. The actions specified by this AD are intended to detect and correct damage and fatigue cracks in the horizontal stabilizer skin and ribs. This condition could cause in-flight separation of the horizontal stabilizer skin with consequent loss of control of the airplane.

DATES: This AD becomes effective on November 30, 2001.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in the regulations as of November 30, 2001.

ADDRESSES: You may get the service information referenced in this AD from Fairchild/Dornier, Customer Support, P.O. Box 1103, D-82230 Wessling, Federal Republic of Germany; telephone: (011) 49 8153 300; facsimile: (011) 49 8153 304463. You may view this information at the Federal Aviation Administration (FAA), Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2001-CE-19-AD, 901 Locust, Room 506, Kansas City, Missouri 64106; or at the Office of the Federal Register, 800 North Capitol Street, NW, suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Karl Schletzbaum, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4146; facsimile: (816) 329-4090.

SUPPLEMENTARY INFORMATION:

Discussion

What Events Have Caused This AD?

The Luftfahrt-Bundesamt (LBA), which is the airworthiness authority for Germany, recently notified the FAA that an unsafe condition may exist on certain Dornier Models 228-100, 228-101, 228-200, 228-201, 228-202, and 228-212 airplanes. The LBA reports two occurrences of cracks found around the riveted joints of the leading edge skin and ribs of the horizontal stabilizer during an inspection. The LBA reports that the cracks are caused by corrosion and material fatigue.

What Is the Potential Impact if FAA Took No Action?

If this condition is not detected and corrected, in-flight separation of the horizontal stabilizer skin could result with consequent loss of control of the airplane.

Has FAA Taken Any Action to This Point?

We issued a proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an AD that would apply to certain Dornier Models 228-100, 228-101, 228-200, 228-201, 228-202, and 228-212 airplanes. This proposal was published in the **Federal Register** as a notice of proposed rulemaking (NPRM) on August 21, 2001 (66 FR 43815). The NPRM proposed to require you to inspect the horizontal stabilizer ribs for cracks; inspect the horizontal stabilizer skin for cracks and damage around the riveted joints; repair or replace any cracked ribs; and repair any damaged skin.

Is There a Modification I Can Incorporate Instead of Repetitively Inspecting the Horizontal Stabilizer Structure?

The FAA has determined that long-term continued operational safety

would be better assured by design changes that remove the source of the problem rather than by repetitive inspections or other special procedures. With this in mind, we will continue to work with Dornier in collecting information and in performing fatigue analysis to determine whether a future design change may be necessary.

Was the Public Invited To Comment?

The FAA encouraged interested persons to participate in the making of this amendment. We did not receive any comments on the proposed rule or on our determination of the cost to the public.

FAA's Determination

What Is FAA's Final Determination on This Issue?

After careful review of all available information related to the subject presented above, we have determined that air safety and the public interest require the adoption of the rule as proposed except for minor editorial corrections. We have determined that these minor corrections:

- Provide the intent that was proposed in the NPRM for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

Cost Impact

How Many Airplanes Does This AD Impact?

We estimate that this AD affects 14 airplanes in the U.S. registry.

What Is the Cost Impact of This AD on Owners/Operators of the Affected Airplanes?

We estimate the following costs to accomplish the inspection:

Labor cost	Parts cost	Total cost per airplane	Total cost on U.S. operators
4 workhours × \$60 per hour = \$240	No parts required for the inspection	\$240	\$240 × 14 = \$3,360

We have no method of determining the number of repetitive inspections each owner/operator will incur over the life of each of the affected airplanes so the cost impact is based on the initial inspection.

We have no method of determining the number of repairs or replacements each owner/operator will incur over the life of each of the affected airplanes based on the results of the inspections. We have no way of determining the

number of airplanes that may need such repair. The extent of damage may vary on each airplane.

Compliance Time of This AD

What Is the Compliance Time of This AD?

The compliance time of this AD will be to accomplish the initial inspection “within the next 100 hours time-in-service (TIS) after the effective date of this AD”, repetitive inspections at

“intervals not to exceed 100 hours TIS”, and any necessary repairs or replacements “prior to further flight after the inspection.”

Why Is the Initial Inspection Compliance Time of the German AD Different From the Initial Inspection Compliance Time in This AD?

The German AD requires (on Dornier Models 228-100, 228-101, 228-200, 228-201, 228-202, and 228-212

airplanes registered in Germany) the initial inspection within the next 10 flight hours. This is the compliance time specified in the service information. We do not have justification to require the initial inspection within 10 flight hours. We use a compliance time such as this when we have identified an urgent safety of flight situation. We believe that 100 hours TIS will give the owners/operators of the affected airplanes enough time to have the initial inspection and repairs and/or replacements accomplished without compromising the safety of the airplanes.

By accomplishing both the initial inspection and replacement at the same time, the owners/operators of the affected airplanes only have their airplanes out of service once instead of twice.

Regulatory Impact

Does This AD Impact Various Entities?

The regulations adopted herein will 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. Therefore, it is determined that this final rule does not have federalism implications under Executive Order 13132.

Does This AD Involve a Significant Rule or Regulatory Action?

For the reasons discussed above, I certify that this action (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under 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. A copy of the final evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

Accordingly, under the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (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. FAA amends § 39.13 by adding a new AD to read as follows:

2001-21-01 Dornier Luftfahrt GmbH:
Amendment 39-12471; Docket No. 2001-CE-19-AD.

(a) *What airplanes are affected by this AD?* This AD affects the following airplane models and serial numbers that are certificated in any category:

Model	Serial Nos.
228-100 ...	7003 through 7116, 7167 and 7168.
228-101 ...	7003 through 7116, 7167 and 7168.
228-200 ...	All serial numbers beginning with 8002.
228-201 ...	All serial numbers beginning with 8002.
228-202 ...	All serial numbers beginning with 8002.
228-212 ...	All serial numbers beginning with 8002.

(b) *Who must comply with this AD?* Anyone who wishes to operate any of the above airplanes must comply with this AD.

(c) *What problem does this AD address?* The actions specified by this AD are intended to detect and correct damage and fatigue cracks in the horizontal stabilizer skin and ribs. This condition could cause in-flight separation of the horizontal stabilizer skin with consequent loss of control of the airplane.

(d) *What actions must I accomplish to address this problem?* To address this problem, you must accomplish the following:

Actions	Compliance	Procedures
Perform the following inspections: (i) Inspect, using a boroscope (or equivalent), the horizontal stabilizer ribs for cracks. (ii) Inspect the horizontal stabilizer skin for damage (cracks and/or loose rivets). (2) Repair or replace any cracked rib and repair any damage to the horizontal stabilizer skin found during any inspection required in paragraph (d)(1) of this AD. (3) Report any cracks or damage found during the initial inspections required in paragraph (d)(1)(i) and (d)(1)(ii) of this AD to Fairchild/Dornier Customer Support, through the FAA. Information collection requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 <i>et seq.</i>) and have been assigned OMB Control Number 2120-0056.	Within the next 100 hours time-in-service (TIS) after November 30, 2001 (the effective date of this AD), and thereafter at intervals not-to-exceed 100 hours TIS. Prior to further flight after the inspection required in paragraph (d)(1) of this AD. Prior to further flight after the applicable inspection required in paragraph (d)(1) of this AD, or within 10 days after November 30, 2001 (the effective date of this AD), whichever occurs later.	In accordance with the ACCOMPLISHMENT INSTRUCTIONS section of Fairchild/Dornier Service Bulletin No. SB-228-234, dated October 13, 2000, and the applicable aircraft maintenance manual. In accordance with the applicable structural repair manual. In accordance with the ACCOMPLISHMENT INSTRUCTIONS section of Fairchild/Dornier Service Bulletin No. SB-228-234, dated October 13, 2000. Fill out the compliance form. Send it to Fair/Dornier at the address specified in paragraph (h) of this AD and send a copy to FAA at the address in paragraph (f) of this AD.

(e) *Can I comply with this AD in any other way?* You may use an alternative method of compliance or adjust the compliance time if:

- (1) Your alternative method of compliance provides an equivalent level of safety; and
- (2) The Manager, Small Airplane Directorate, approves your alternative. Submit your request through an FAA

Principal Maintenance Inspector, who may add comments and then send it to the Manager, Small Airplane Directorate.

Note 1: This AD applies to each airplane identified in paragraph (a) of this AD, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that

have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (e) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition

addressed by this AD; and, if you have not eliminated the unsafe condition, specific actions you propose to address it.

(f) *Where can I get information about any already-approved alternative methods of compliance?* Contact Karl Schletzbaum, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4146; facsimile: (816) 329-4090.

(g) *What if I need to fly the airplane to another location to comply with this AD?* The FAA can issue a special flight permit under sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate your airplane to a location where you can accomplish the requirements of this AD.

(h) *Are any service bulletins incorporated into this AD by reference?* Actions required by this AD must be done in accordance with Fairchild/Dornier Service Bulletin No. SB-228-234, dated October 13, 2000. The Director of the Federal Register approved this incorporation by reference under 5 U.S.C. 552(a) and 1 CFR part 51. You can get copies from Fairchild/Dornier, Customer Support, P.O. Box 1103, D-82230 Wessling, Federal Republic of Germany. You can look at copies at the FAA, Central Region, Office of the Regional Counsel, 901 Locust, Room 506, Kansas City, Missouri, or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(i) *When does this amendment become effective?* This amendment becomes effective on November 30, 2001.

Note 2: The subject of this AD is addressed in German AD Number 2001-045, dated January 26, 2001.

Issued in Kansas City, Missouri, on October 9, 2001.

Michael Gallagher,

Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 01-26001 Filed 10-18-01; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000-NE-39-AD; Amendment 39-12472; AD 2001-21-02]

RIN 2120-AA64

Airworthiness Directives; Honeywell International Inc. (formerly AlliedSignal Inc. and Garrett Turbine Engine Company) TPE331-8, -10N, and -12B Turboprop Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to Honeywell International

Inc. (formerly AlliedSignal Inc. and Garrett Turbine Engine Company) TPE331-8, -10N, and -12B turboprop engines with certain electronic engine controls (EEC's) installed. This AD requires revising the Emergency and Normal Procedures section of the applicable Airplane Flight Manual (AFM) until the existing EEC's are replaced. This amendment is prompted by a report of an engine experiencing an uncommanded full power increase during an approach while both engine power levers were at the flight idle gate. The actions specified in this AD are intended to minimize exposure to flight and ground operations that could lead to the loss of control of the airplane due to asymmetric thrust and an uncommanded torque increase.

DATES: Effective November 19, 2001.

Comments for inclusion in the Rules Docket must be received on or before December 18, 2001.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000-NE-39-AD, 12 New England Executive Park, Burlington, MA 01803-5299. Comments may also be sent via the Internet using the following address: 9-ane-adcomment@faa.gov. Comments sent via the Internet must contain the docket number in the subject line.

The temporary revisions referenced in this AD may be obtained from Cessna Propeller Aircraft Customer Service, P.O. Box 7706, Wichita, Kansas, 67277; telephone: (316) 517-5800, fax: (316) 517-7271.

FOR FURTHER INFORMATION CONTACT: Joseph Costa, Aerospace Engineer, Los Angeles Aircraft Certification Office, FAA, Transport Airplane Directorate, 3960 Paramount Blvd., Lakewood, CA 90712-4137; telephone (562) 627-5246; fax (562) 627-5210. Contact Bob Adamson, Aerospace Engineer, Wichita Aircraft Certification Office, 1801 Airport Road, Room 100, Wichita KS 67209; telephone (316) 946-4145; fax (316) 946-4407 with any questions and comments regarding AFM procedures pertaining to this AD.

SUPPLEMENTARY INFORMATION: In September 1999, a TPE331-10N turboprop engine experienced an uncommanded increase to full power during an approach while both engine power levers were at the flight idle gate. The pilot aborted the approach and re-established power symmetry by applying full power to the opposite engine. After reverting to manual mode, the pilot made a safe landing. Based on engine-propeller stand testing of certain

engine control configurations, and a review of prior field reports of uncommanded torque or fuel increases, the FAA has determined that uncommanded torque may peak to 150% within 5 seconds of an initial torque acceleration. In addition, the number of uncommanded engine accelerations in service have been gradually increasing. Nine events of uncommanded power increases have occurred, in varying degrees of severity, within the past 17 years. This condition, if not corrected, could result in loss of control of the airplane due to asymmetric thrust from an uncommanded power increase.

Actions Required by This AD

Since an unsafe condition has been identified that is likely to exist or develop on other engines of this same type design, this AD requires a temporary revision to the Emergency and Normal Procedures section of the applicable FAA Approved AFM for each applicable engine installation in a multi-engine airplane. The temporary AFM revision provides procedures for minimizing asymmetric thrust resulting from uncommanded power increases in flight and on ground. The temporary AFM revision is effective for an individual multi-engine airplane until the existing EEC for each engine is replaced with a redesigned and reworked EEC. These AFM changes have been coordinated with the FAA Certification Office responsible for the certification of the airplanes involved.

The rework and testing of the EEC can only be accomplished at Honeywell's Repair Station in Tucson, Arizona, whose repair capacity and rate-of-repair is limited. The FAA has determined that the July 23, 2003 date was the earliest date to complete the rework and testing of all 775 existing EEC's. This determination assumes that the operator act expeditiously and coordinate this EEC repair with the Honeywell Repair Station.

Finding That Immediate Adoption Is Necessary

Since a situation exists that requires the immediate adoption of this regulation, it is found that notice and opportunity for prior public comment hereon are impracticable, and that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are