

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 \$14,960, or \$80 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, 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 AD:

Dassault Aviation (Formerly Avions Marcel Dassault-Breguet Aviation (AMD/BA)):
Docket No. FAA-2009-0263; Directorate Identifier 2008-NM-137-AD.

Comments Due Date

(a) We must receive comments by April 27, 2009.

Affected ADs

(b) None.

Applicability

(c) This AD applies to Mystere-Falcon 20-C5, 20-D5, 20-E5, and 20-F5 airplanes, certificated in any category, without Dassault Service Bulletin F20-766 implemented.

Subject

(d) Air Transport Association (ATA) of America Code 30: Ice and Rain Protection.

Reason

(e) The mandatory continuing airworthiness information (MCAI) states:

This Airworthiness Directive (AD) is issued following the discovery of hot air leaks when operating the wing anti-icing system. The seals Part Number (P/N) MS29513-325, near the de-icing valves (12H1) and (12H2) in frame 33 area, do not have the proper temperature rating.

The consequences, in the area of the hot air leak, are risks of ignition of potential hydraulic leaks.

The purpose of this AD is to verify that seals with correct temperature rating have been installed on Mystere-Falcon 20- ()5 airplanes.

The corrective action includes replacing the left and right seals near de-icing valves (12H1) and (12H2) in frame area 33.

Actions and Compliance

(f) Unless already done, within 7 months after the effective date of this AD, perform an inspection for a red line marking on each of the Wiggins couplings that are located near the de-icing valves (12H1) and (12H2), in accordance with Dassault Service Bulletin F20-766, dated October 31, 2005. If a red line is not found, prior to further flight, replace the seals to the left and right Wiggins couplings, in accordance with Dassault Service Bulletin F20-766, dated October 31, 2005.

FAA AD Differences

Note 1: 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, International Branch, ANM-116, 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: Tom Rodriguez, Aerospace Engineer, International Branch, ANM-116, Transport Airplane Directorate, FAA, 1601 Lind Avenue, SW., Renton, Washington 98057-3356; telephone (425) 227-1137; fax (425) 227-1149. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal maintenance inspector (PMI) or principal avionics inspector (PAI), as appropriate, or lacking a principal inspector, your local Flight Standards District Office.

(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, the Office of Management and Budget (OMB) has approved the information collection requirements and has assigned OMB Control Number 2120-0056.

Related Information

(h) Refer to MCAI EASA Airworthiness Directive 2008-0123, dated July 2, 2008; and Dassault Service Bulletin F20-766, dated October 31, 2005; for related information.

Issued in Renton, Washington, on March 18, 2009.

Ali Bahrami,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. E9-6735 Filed 3-25-09; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2009-0264; Directorate Identifier 2008-NM-174-AD]

RIN 2120-AA64

Airworthiness Directives; Airbus Model A330-300, A340-200, and A340-300 Series Airplanes

AGENCY: Federal Aviation Administration (FAA), 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. The MCAI describes the unsafe condition as:

One Long Range operator experienced a failure of one spoiler servo-control, associated with surface deflection in flight and hydraulic leak. On ground, this servo-control Part Number (P/N) MZ4306000-02X was found with the maintenance cover broken. Investigations showed that the rupture of the maintenance cover was due to pressure pulse fatigue.

* * * The rupture of the maintenance cover in flight may result in the deflection of the associated spoiler surface up to the null-hinge position (loss of the hydraulic locking). It may also result in the loss of the associated hydraulic system (external leakage). In the worst case, the three hydraulic systems may be affected, which constitutes an unsafe condition.

* * * * *

Loss of the three hydraulic systems could result in reduced controllability of the airplane. 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 April 27, 2009.

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 W12-40, 1200 New Jersey Avenue, SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this proposed AD, contact Airbus SAS—Airworthiness Office—EAL, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 45 80, e-mail airworthiness.A330-A340@airbus.com;

Internet <http://www.airbus.com>. You may review copies of the referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington. For information on the availability of this material at the FAA, call 425-227-1221 or 425-227-1152.

Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov>; or in person at the Docket Operations office 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 Operations 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: Vladimir Ulyanov, Aerospace Engineer, International Branch, ANM-116, Transport Airplane Directorate, FAA, 1601 Lind Avenue, SW., Renton, Washington 98057-3356; telephone (425) 227-1138; fax (425) 227-1149.

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-2009-0264; Directorate Identifier 2008-NM-174-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 based on 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

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued EASA Airworthiness Directive 2008-0160, dated August 22, 2008 (referred to after this as “the MCAI”), to correct an unsafe condition for the specified products. The MCAI states:

One Long Range operator experienced a failure of one spoiler servo-control, associated with surface deflection in flight and hydraulic leak. On ground, this servo-control Part Number (P/N) MZ4306000-02X was found with the maintenance cover broken. Investigations showed that the rupture of the maintenance cover was due to pressure pulse fatigue.

The maintenance cover allows switching the servo-control from “Operational” to “Maintenance” modes. The same cover is installed on all standard MZ spoiler servo-controls except on P/N MZ4339390-12 and MZ4306000-12, which have a reinforced maintenance cover. The rupture of the maintenance cover in flight may result in the deflection of the associated spoiler surface up to the null-hinge position (loss of the hydraulic locking). It may also result in the loss of the associated hydraulic system (external leakage). In the worst case, the three hydraulic systems may be affected, which constitutes an unsafe condition.

For the reasons described above, this EASA AD requires the identification and the modification of all standard MZ spoiler servo-controls with initial maintenance cover (P/N MZ4339390-01X, -02X, -10X for position 1 and P/N MZ4306000-01X, 02X, -10X for positions 2 to 6) into standard MZ servo-controls with reinforced maintenance cover (P/N MZ4339390-12 for position 1 and P/N MZ4306000-12 for positions 2 to 6).

Loss of the three hydraulic systems could result in reduced controllability of the airplane. You may obtain further information by examining the MCAI in the AD docket.

Relevant Service Information

Airbus has issued the service information described in the following table. The actions described in this service information are intended to correct the unsafe condition identified in the MCAI.

SERVICE INFORMATION

Service Bulletin	Revision level	Date
Airbus Mandatory Service Bulletin A330-27A3154	01	July 25, 2008.
Airbus Service Bulletin A330-27-3110	02	March 2, 2007.
Airbus Mandatory Service Bulletin A340-27A4154	01	July 25, 2008.
Airbus Service Bulletin A340-27-4115	01	March 2, 2007.

FAA's Determination and Requirements of This 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 the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all pertinent information and determined an unsafe condition exists and is likely to exist or develop on other products of the same type design.

Differences Between This 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

Based on the service information, we estimate that this proposed AD would affect 16 products of U.S. registry. We also estimate that it would take between 1 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 \$1,280, or \$80 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, 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 AD:

Airbus: Docket No. FAA-2009-0264; Directorate Identifier 2008-NM-174-AD.

Comments Due Date

(a) We must receive comments by April 27, 2009.

Affected ADs

(b) None.

Applicability

(c) This AD applies to Airbus Model A330-300, A340-200, and A340-300 series airplanes; certificated in any category, except those identified in paragraph (c)(1) and (c)(2) of this AD.

(1) Airbus Model A330-301, -302, -303, -321, -322, -323, -341, -342, and -343 airplanes, manufacturer serial numbers (MSNs) up to and including MSN 588, except those on which Airbus Service Bulletin A330-27-3110 has been embodied in service.

(2) Airbus Model A340-211, -212, -213, -311, -312, and -313 airplanes, MSNs up to and including MSN 598, except those on which Airbus Service Bulletin A340-27-4115 has been embodied in service.

Subject

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

Reason

(e) The mandatory continuing airworthiness information (MCAI) states:

One Long Range operator experienced a failure of one spoiler servo-control, associated with surface deflection in flight and hydraulic leak. On ground, this servo-control Part Number (P/N) MZ4306000-02X was found with the maintenance cover broken. Investigations showed that the rupture of the maintenance cover was due to pressure pulse fatigue.

The maintenance cover allows switching the servo-control from "Operational" to "Maintenance" modes. The same cover is installed on all standard MZ spoiler servo-controls except on P/N MZ4339390-12 and MZ4306000-12, which have a reinforced maintenance cover. The rupture of the maintenance cover in flight may result in the deflection of the associated spoiler surface up to the null-hinge position (loss of the hydraulic locking). It may also result in the loss of the associated hydraulic system (external leakage). In the worst case, the three hydraulic systems may be affected, which constitutes an unsafe condition.

For the reasons described above, this EASA AD requires the identification and the modification of all standard MZ spoiler servo-controls with initial maintenance cover (P/N MZ4339390-01X, -02X, -10X for position 1 and P/N MZ4306000-01X, 02X, -10X for positions 2 to 6) into standard MZ servo-controls with reinforced maintenance cover (P/N MZ4339390-12 for position 1 and P/N MZ4306000-12 for positions 2 to 6).

Loss of the three hydraulic systems could result in reduced controllability of the airplane.

Actions and Compliance

(f) Unless already done, do the following actions.

(1) For airplanes that have accumulated more than 8,500 total flight cycles since first flight as of the effective date of this AD: Do the actions required by paragraphs (f)(1)(i) and (f)(1)(ii) of this AD, as applicable.

(i) Within 3 months after the effective date of this AD: Identify the part number of spoiler servo-controls installed on the airplane at all positions in order to determine the number of affected hydraulic circuits in accordance with the Accomplishment Instructions of Airbus Mandatory Service Bulletin A330-27A3154, Revision 01; or Airbus Mandatory Service Bulletin A340-27A4154, Revision 01; both dated July 25, 2008, as applicable. If there is no spoiler servo-control installed with a part number

identified in Table 1 of this AD, no further action is required by this paragraph.

(ii) If there is any spoiler servo-control installed with a part number identified in Table 1 of this AD, do all applicable actions required by paragraph (f)(2), (f)(3), or (f)(4) of this AD.

TABLE 1—SPOILER SERVO-CONTROL PART NUMBERS

Position 1	Positions 2 through 6
MZ4339390-01X	MZ4306000-01X.
MZ4339390-02X	MZ4306000-02X.
MZ4339390-10X	MZ4306000-10X.

(2) If three affected hydraulic circuits are identified during the inspection required by paragraph (f)(1) of this AD, do the actions required by paragraphs (f)(2)(i), (f)(2)(ii), and (f)(2)(iii) of this AD, at the time specified.

(i) Before the accumulation of 10,400 total flight cycles since first flight, or within 3 months after accomplishing the requirements of paragraph (f)(1)(i) of this AD, whichever occurs later: Modify the affected spoiler servo-controls on one hydraulic circuit in accordance with the Accomplishment Instructions of Airbus Service Bulletin A330-27-3110, Revision 02; or Airbus Service Bulletin A340-27-4115, Revision 01; both dated March 2, 2007, as applicable.

(ii) Before the accumulation of 10,800 total flight cycles since first flight, or within 6 months after accomplishing the requirements in paragraph (f)(1)(i) of this AD, whichever occurs later: Modify the affected spoiler servo-controls on the second hydraulic circuit in accordance with the Accomplishment Instructions of Airbus

Service Bulletin A330-27-3110, Revision 02; or Airbus Service Bulletin A340-27-4115, Revision 01; both dated March 2, 2007, as applicable.

(iii) Within 18 months after the effective date of this AD: Modify the remaining affected spoiler servo-controls in accordance with the Accomplishment Instructions of Airbus Service Bulletin A330-27-3110, Revision 02; or Airbus Service Bulletin A340-27-4115, Revision 01; both dated March 2, 2007, as applicable.

(3) If two affected hydraulic circuits are identified during the inspection required by paragraph (f)(1) of this AD, do the actions required by paragraphs (f)(3)(i) and (f)(3)(ii) of this AD, at the time specified:

(i) Before the accumulation of 10,800 total flight cycles since first flight, or within 6 months after accomplishing the requirements in paragraph (f)(1)(i) of this AD, whichever occurs later: Modify the affected spoiler servo-controls on one hydraulic circuit in accordance with the Accomplishment Instructions of Airbus Service Bulletin A330-27-3110, Revision 02; or Airbus Service Bulletin A340-27-4115, Revision 01; both dated March 2, 2007, as applicable.

(ii) Within 18 months after the effective date of this AD: Modify the remaining affected spoiler servo-controls in accordance with the Accomplishment Instructions of Airbus Service Bulletin A330-27-3110, Revision 02; or Airbus Service Bulletin A340-27-4115, Revision 01; both dated March 2, 2007, as applicable.

(4) If one affected hydraulic circuit is identified during the inspection required by paragraph (f)(1) of this AD: Within 18 months after the effective date of this AD, modify the affected spoiler servo-controls in accordance with the Accomplishment Instructions of

Airbus Service Bulletin A330-27-3110, Revision 02; or Airbus Service Bulletin A340-27-4115, Revision 01; both dated March 2, 2007, as applicable.

(5) For airplanes that have accumulated less than or equal to 8,500 total flight cycles since first flight as of the effective date of this AD: Do the actions required by paragraphs (f)(5)(i) and (f)(5)(ii) of this AD, as applicable.

(i) Within 9 months after the effective date of this AD: Do the actions specified in paragraph (f)(1)(i) of this AD. If there is no spoiler servo-control installed with a part number identified in Table 1 of this AD, no further action is required by this paragraph.

(ii) If there is any spoiler servo-control installed with a part number identified in Table 1 of this AD: Within 18 months after the effective date of this AD, modify all the affected spoiler servo-controls in accordance with the Accomplishment Instructions of Airbus Service Bulletin A330-27-3110, Revision 02; or Airbus Service Bulletin A340-27-4115, Revision 01; both dated March 2, 2007, as applicable.

(6) As of the effective date of this AD, no person may install any spoiler servo-control with a part number identified in Table 1 of this AD on any aircraft as a replacement part, unless the part has been modified in accordance with the Accomplishment Instructions of Airbus Service Bulletin A330-27-3110, Revision 02; or Airbus Service Bulletin A340-27-4115, Revision 01; both dated March 2, 2007, as applicable.

(7) Actions accomplished before the effective date of this AD in accordance with the service bulletins specified in Table 2 of this AD are considered acceptable for compliance with the corresponding requirements of this AD.

TABLE 2—CREDIT SERVICE INFORMATION

Service Bulletin	Revision level	Date
Airbus Service Bulletin A330-27-3110	Original	November 28, 2003.
Airbus Service Bulletin A330-27-3110	01	March 26, 2004.
Airbus Service Bulletin A340-27-4115	Original	November 28, 2003.

FAA AD Differences

Note 1: 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, International Branch, ANM-116, Transport Airplane Directorate, 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: Vladimir Ulyanov, Aerospace Engineer, International

Branch, ANM-116, Transport Airplane Directorate, FAA, 1601 Lind Avenue, SW., Renton, Washington 98057-3356; telephone (425) 227-1138; fax (425) 227-1149. Before using any approved AMOC on any airplane to which the AMOC applies, notify your principal maintenance inspector (PMI) or principal avionics inspector (PAI), as appropriate, or lacking a principal inspector, your local Flight Standards District Office.

(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, the Office of Management and Budget (OMB) has approved the information collection requirements and has assigned OMB Control Number 2120-0056.

Related Information

(h) Refer to European Aviation Safety Agency Airworthiness Directive 2008-0160, dated August 22, 2008, and the service bulletins specified in Table 3 of this AD, for related information.

TABLE 3—SERVICE INFORMATION

Service Bulletin	Revision level	Date
Airbus Mandatory Service Bulletin A330-27A3154	01	July 25, 2008.

TABLE 3—SERVICE INFORMATION—Continued

Service Bulletin	Revision level	Date
Airbus Service Bulletin A330–27–3110	02	March 2, 2007.
Airbus Mandatory Service Bulletin A340–27A4154	01	July 25, 2008.
Airbus Service Bulletin A340–27–4115	01	March 2, 2007.

Issued in Renton, Washington, on March 18, 2009.
Ali Bahrami,
Manager, Transport Airplane Directorate, Aircraft Certification Service.
 [FR Doc. E9–6734 Filed 3–25–09; 8:45 am]
BILLING CODE 4910–13–P

Washington, DC 20426, (202) 502–6569, *ray.palmer@ferc.gov.*

SUPPLEMENTARY INFORMATION:
 Before Commissioners: Jon Wellingshoff, Acting Chairman; Suedeen G. Kelly, Marc Spitzer, and Philip D. Moeller.

Proposed Policy Statement and Action Plan

Issued March 19, 2009.

1. The Commission is issuing this proposed policy statement to articulate its policies and near-term priorities to help achieve the modernization of the Nation’s electric transmission system, one aspect of which is “Smart Grid” development. Smart Grid advancements will apply digital technologies to the grid, and enable real-time coordination of information from generation supply resources, demand resources,¹ and distributed energy resources (DER).² This will bring new efficiencies to the electric system through improved communication and coordination between utilities and with the grid, which will translate into savings in the provision of electric service. Ultimately the smart grid will facilitate consumer transactions and allow consumers to better manage their electric energy costs. These technologies will also enhance the ability to ensure the reliability of the bulk-power system. The Commission’s interest and responsibilities in this area derive from its authority over the rates, terms and conditions of transmission and wholesale sales in interstate commerce, its responsibility for approving and enforcing mandatory reliability standards for the bulk-power system in the United States, and a recently enacted law³ requiring the Commission to adopt interoperability standards and protocols necessary to

ensure smart-grid functionality and interoperability in the interstate transmission of electric power and in regional and wholesale electricity markets. The development and implementation of these interoperability standards is a challenging task, which requires the efforts of industry, the states and other federal agencies, in addition to the Commission. The Commission intends to use its authority, in coordination and cooperation with other governmental entities, to help achieve interoperability in a timely manner. Achievement of interoperability will not only increase the efficiency of the bulk-power system, with the goal of achieving long-term consumer savings, but will also enable demand response and other consumer transactions and activities that give consumers the tools to better control their electric energy costs. Reaching this goal will also help promote the integration of significant new renewable power into the transmission system and help state and federal initiatives to promote greater reliance on renewable power and meet future demand growth to satisfy the Nation’s energy needs.

2. The purpose of the policy statement the Commission ultimately adopts will be to prioritize the development of key interoperability standards, provide guidance to the electric industry regarding the need for full cybersecurity for Smart Grid projects, and provide an interim rate policy under which jurisdictional public utilities may seek to recover the costs of Smart Grid deployments before relevant standards are adopted through a Commission rulemaking. Specifically, development of interoperability standards for inter-system communication, system security, wide-area situational awareness, demand response, electric storage, and electric transportation should be prioritized and accelerated. The work done on certain standards will provide a foundation for development of many other standards.

3. In addition, as further explained below, for the near term we propose certain rate treatments to encourage investment in Smart Grid technologies that advance efficiency, security, reliability and interoperability in order to address potential challenges to the

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

18 CFR Chapter I

[Docket No. PL09–4–000]

Smart Grid Policy

Issued March 19, 2009.

AGENCY: Federal Energy Regulatory Commission, DOE.

ACTION: Proposed policy statement and action plan.

SUMMARY: This proposed policy statement and action plan provides guidance to inform the development of a smarter grid for the Nation’s electric transmission system focusing on the development of key standards to achieve interoperability of smart grid devices and systems. The Commission also proposes a rate policy for the interim period until interoperability standards are adopted. Smart grid investments that demonstrate system security and compliance with Commission-approved Reliability Standards, the ability to be upgraded, and other specified criteria will be eligible for timely rate recovery and other rate treatments. This rate policy will encourage development of smart grid systems.

DATES: Comments on the proposed policy statement and action plan are due May 11, 2009.

FOR FURTHER INFORMATION CONTACT:

David Andrejcek, Office of Electric Reliability, 888 First Street, NE., Washington, DC 20426 (202) 502–6721, *david.andrejcek@ferc.gov.*
 Elizabeth H. Arnold, Office of General Counsel, 888 First Street, NE., Washington, DC 20426, (202) 502–8818, *elizabeth.arnold@ferc.gov.*
 Ray Palmer, Office of Energy Market Regulation, 888 First Street, NE.,

¹For purposes of this proposed policy statement, “demand resources” refers to the set of demand response resources and energy efficiency resources and programs that can be used to reduce demand or reduce electricity demand growth.

²DER comprises dispersed generation devices and dispersed storage devices, including reciprocating engines, fuel cells, microturbines, photovoltaics, combined heat and power, and energy storage. See International Electrotechnical Commission, International Standards IEC 61850–7–420.

³Energy Independence and Security Act of 2007, Public Law No. 110–140, 121 Stat. 1492 (2007) (EISA).