

Airbus Helicopters Model AS350B2 and AS350B3 helicopters, as changed, comply with the noise certification requirements of 14 CFR part 36.

The FAA issues special conditions, as defined in 14 CFR 11.19, in accordance with § 11.38 and they become part of the type certification basis under § 21.101.

#### Novel or Unusual Design Features

The Airbus Helicopters Model AS350B2 and AS350B3 helicopter incorporates the following novel or unusual design features: A GFC 600H AP/SCAS. This GFC 600H AP/SCAS performs non-critical control functions. The GFC 600H AP/SCAS is a two or three axis system with the following novel functions: Limit cueing, level mode, and hover assist.

#### Discussion

These special conditions clarify the requirement to perform a proper failure analysis and also recognizes that the severity of failures can vary. Current industry standards and practices recognize five failure condition categories: Catastrophic, Hazardous, Major, Minor, and No-Safety Effect. These special conditions address the safety requirement for systems whose failures could result in catastrophic or hazardous/severe-major failure conditions and for complex systems whose failures could result in major failure conditions.

To comply with the provisions of the special conditions, we require that Garmin provide the FAA with a systems safety assessment (SSA) for the final GFC 600H AP/SCAS installation configuration that adequately address the safety objectives established by a functional hazard assessment (FHA) and a preliminary system safety assessment (PSSA), including the fault tree analysis (FTA). This ensures that all failure conditions and their resulting effects are adequately addressed for the installed GFC 600H AP/SCAS. The SSA process, FHA, PSSA, and FTA are all parts of the overall safety assessment process discussed in FAA Advisory Circular 27-1B, *Certification of Normal Category Rotorcraft*, and Society of Automotive Engineers document Aerospace Recommended Practice 4761, *Guidelines and Methods for Conducting the Safety Assessment Process on Civil Airborne Systems and Equipment*.

These special conditions require that the GFC 600H AP/SCAS installed on Airbus Helicopters Model AS350B2 and Model AS350B3 helicopters meet the requirements to adequately address the failure effects identified by the FHA, and subsequently verified by the SSA,

within the defined design integrity requirements.

#### Comments

No comments were received in response to the Notice of proposed special conditions No. 27-043-SC (82 FR 57685, December 7, 2017). The closing date for comments was January 22, 2018. Accordingly, the special conditions are adopted as proposed.

#### Applicability

As discussed above, these special conditions are applicable to Airbus Helicopters Model AS350B2 and AS350B3 helicopters. Should Garmin apply at a later date for an STC to modify any other model included on Type Certificate Number H9EU to incorporate the same novel or unusual design feature, these special conditions would apply to that model as well.

#### Conclusion

This action affects only certain novel or unusual design features on two model helicopters. It is not a rule of general applicability and affects only the applicant who applied to the FAA for approval of these features.

#### List of Subjects in 14 CFR Part 27

Aircraft, Aviation safety, Reporting and recordkeeping requirements.

The authority citation for these special conditions is as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701, 44702, 44704.

#### The Special Conditions

Accordingly, pursuant to the authority delegated to me by the Administrator, the following special conditions are issued as part of the type certification basis for Airbus Helicopters Model AS350B2 and AS350B3 helicopters modified by Garmin International, Inc. (Garmin).

Instead of the requirements of 14 CFR 27.1309(b) and (c), the following must be met for certification of the Garmin Flight Control 600H autopilot with stability and control augmentation system:

(a) The equipment and systems must be designed and installed so that any equipment and system does not adversely affect the safety of the rotorcraft or its occupants.

(b) The rotorcraft systems and associated components considered separately and in relation to other systems, must be designed and installed so that:

(1) The occurrence of any catastrophic failure condition is extremely improbable;

(2) The occurrence of any hazardous failure condition is extremely remote; and

(3) The occurrence of any major failure condition is remote.

(c) Information concerning an unsafe system operating condition must be provided in a timely manner to the crew to enable them to take appropriate corrective action. An appropriate alert must be provided if immediate pilot awareness and immediate or subsequent corrective action is required. Systems and controls, including indications and annunciations, must be designed to minimize crew errors which could create additional hazards.

Issued in Fort Worth, Texas, on March 30, 2018.

**Jorge Castillo,**

*Acting Manager, Rotorcraft Standards Branch, Policy and Innovation Division Aircraft Certification Service.*

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## PENSION BENEFIT GUARANTY CORPORATION

### 29 CFR Part 4022

#### Benefits Payable in Terminated Single-Employer Plans; Interest Assumptions for Paying Benefits

**AGENCY:** Pension Benefit Guaranty Corporation.

**ACTION:** Final rule.

**SUMMARY:** This final rule amends the Pension Benefit Guaranty Corporation's regulation on Benefits Payable in Terminated Single-Employer Plans to prescribe interest assumptions under the regulation for valuation dates in May 2018. The interest assumptions are used for paying benefits under terminating single-employer plans covered by the pension insurance system administered by PBGC.

**DATES:** Effective May 1, 2018.

**FOR FURTHER INFORMATION CONTACT:** Hilary Duke ([duke.hilary@pbgc.gov](mailto:duke.hilary@pbgc.gov)), Assistant General Counsel for Regulatory Affairs, Pension Benefit Guaranty Corporation, 1200 K Street NW, Washington, DC 20005, 202-326-4400 ext. 3839. (TTY users may call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4400, ext. 3839.)

**SUPPLEMENTARY INFORMATION:** PBGC's regulation on Benefits Payable in Terminated Single-Employer Plans (29 CFR part 4022) prescribes actuarial assumptions—including interest assumptions—for paying plan benefits

under terminated single-employer plans covered by title IV of the Employee Retirement Income Security Act of 1974. The interest assumptions in the regulation are also published on PBGC's website (<http://www.pbgc.gov>).

PBGC uses the interest assumptions in appendix B to part 4022 to determine whether a benefit is payable as a lump sum and to determine the amount to pay. Appendix C to part 4022 contains interest assumptions for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using PBGC's historical methodology. Currently, the rates in appendices B and C of the benefit payment regulation are the same.

The interest assumptions are intended to reflect current conditions in the financial and annuity markets. Assumptions under the benefit payments regulation are updated monthly. This final rule updates the benefit payments interest assumptions for May 2018.<sup>1</sup>

The May 2018 interest assumptions under the benefit payments regulation

will be 1.00 percent for the period during which a benefit is in pay status and 4.00 percent during any years preceding the benefit's placement in pay status. In comparison with the interest assumptions in effect for April 2018, these assumptions are unchanged.

PBGC has determined that notice and public comment on this amendment are impracticable and contrary to the public interest. This finding is based on the need to determine and issue new interest assumptions promptly so that the assumptions can reflect current market conditions as accurately as possible.

Because of the need to provide immediate guidance for the payment of benefits under plans with valuation dates during May 2018, PBGC finds that good cause exists for making the assumptions set forth in this amendment effective less than 30 days after publication.

PBGC has determined that this action is not a "significant regulatory action" under the criteria set forth in Executive Order 12866.

Because no general notice of proposed rulemaking is required for this amendment, the Regulatory Flexibility Act of 1980 does not apply. See 5 U.S.C. 601(2).

**List of Subjects in 29 CFR Part 4022**

Employee benefit plans, Pension insurance, Pensions, Reporting and recordkeeping requirements.

In consideration of the foregoing, 29 CFR part 4022 is amended as follows:

**PART 4022—BENEFITS PAYABLE IN TERMINATED SINGLE-EMPLOYER PLANS**

■ 1. The authority citation for part 4022 continues to read as follows:

**Authority:** 29 U.S.C. 1302, 1322, 1322b, 1341(c)(3)(D), and 1344.

■ 2. In appendix B to part 4022, Rate Set 295 is added at the end of the table to read as follows:

**Appendix B to Part 4022—Lump Sum Interest Rates for PBGC Payments**

\* \* \* \* \*

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		<i>i</i> <sub>1</sub>	<i>i</i> <sub>2</sub>	<i>i</i> <sub>3</sub>	<i>n</i> <sub>1</sub>	<i>n</i> <sub>2</sub>
* 295	* 5-1-18	* 6-1-18	* 1.00	* 4.00	4.00	* 4.00	7	* 8

■ 3. In appendix C to part 4022, Rate Set 295 is added at the end of the table to read as follows:

**Appendix C to Part 4022—Lump Sum Interest Rates for Private-Sector Payments**

\* \* \* \* \*

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		<i>i</i> <sub>1</sub>	<i>i</i> <sub>2</sub>	<i>i</i> <sub>3</sub>	<i>n</i> <sub>1</sub>	<i>n</i> <sub>2</sub>
* 295	* 5-1-18	* 6-1-18	* 1.00	* 4.00	4.00	* 4.00	7	* 8

Issued in Washington, DC.

**Hilary Duke,**

*Assistant General Counsel for Regulatory Affairs, Pension Benefit Guaranty Corporation.*

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<sup>1</sup> Appendix B to PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR part 4044) prescribes interest assumptions for valuing

benefits under terminating covered single-employer plans for purposes of allocation of assets under

ERISA section 4044. Those assumptions are updated quarterly.

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 165

[Docket Number USCG–2017–0146]

RIN 1625–AA87

#### Security Zones; Port Canaveral Harbor, Cape Canaveral Air Force Station, FL

**AGENCY:** Coast Guard, DHS.

**ACTION:** Final rule.

**SUMMARY:** The Coast Guard is revising a security zone to extend the geographical boundaries of the permanent security zone at Port Canaveral Harbor. This action is necessary to ensure the security of vessels, facilities, and the surrounding areas within this zone. This regulation prohibits persons and vessels from entering, transiting through, anchoring in, or remaining within the security zone unless authorized by the Captain of the Port (COTP) Jacksonville or a designated representative.

**DATES:** This rule is effective May 14, 2018.

**ADDRESSES:** To view documents mentioned in this preamble as being available in the docket, go to <http://www.regulations.gov>, type USCG–2017–0146 in the “SEARCH” box and click “SEARCH.” Click on Open Docket Folder on the line associated with this rule.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this rule, call or email Lieutenant Allan Storm, Sector Jacksonville, Waterways Management Division, U.S. Coast Guard; telephone (904) 714–7616, email [Allan.H.Storm@uscg.mil](mailto:Allan.H.Storm@uscg.mil).

#### SUPPLEMENTARY INFORMATION:

##### I. Table of Abbreviations

CFR Code of Federal Regulations  
 DHS Department of Homeland Security  
 FR Federal Register  
 NPRM Notice of proposed rulemaking  
 § Section  
 U.S.C. United States Code

##### II. Background Information and Regulatory History

On October 3, 1988, the Coast Guard published a final rule creating a permanent security zone at Port Canaveral Harbor, Cape Canaveral, Florida, entitled, “Security Zone; Port Canaveral Harbor, Cape Canaveral, FL” (53 FR 38718) to safeguard the waterfront and military assets along the U.S. Navy’s Poseidon Wharf inside the

southeast portion of Port Canaveral Harbor’s Middle Basin. This waterfront area is located on Cape Canaveral Air Force Station (CCAFS), a U.S. Air Force military installation. Additionally, the northern and northeast portion of the Middle Basin’s waterfront is located almost entirely on CCAFS property, and within this area are piers utilized by the U.S. Air Force and U.S. Army. CCAFS routinely conducts operations critical to national security.

The U.S. Navy requested an amendment to the current regulation in 33 CFR 165.705(b) to expand the geographical boundaries to include the northern and northeastern portion of the Middle Basin of Port Canaveral Harbor in order to ensure the safety and security of military assets and infrastructure along the entire CCAFS waterfront. In response, on October 3, 2017, the Coast Guard published a notice of proposed rulemaking (NPRM) entitled, “Security Zones; Port Canaveral Harbor, Cape Canaveral Air Force Station, FL” (82 FR 46007). There we stated why we issued the NPRM, and invited comments on our proposed regulatory action related to revising the security zone. During the comment period that ended November 3, 2017, we received 3 comments.

##### III. Legal Authority and Need for Rule

The Coast Guard is issuing this rule under authority 33 U.S.C. 1231. The COTP Jacksonville has determined it is necessary to expand the security zone in the Middle Basin of Port Canaveral Harbor to ensure the security of military assets and waterfront facilities from destruction, loss, or injury from sabotage or other subversive acts, accidents or other causes of a similar nature.

##### IV. Discussion of Comments, Changes, and the Rule

As noted above, we received 3 comments on our NPRM published October 3, 2017. One comment was in support of the rule. The other two comments provided recommendations and feedback to the rule. One comment provided a recommendation to conduct a safety study to ensure that the likelihood for a collision has not increased. The Coast Guard does not intend to conduct a safety study for the revised security zone, as there have been no safety concerns raised during discussions within the port community; including the Canaveral Pilots Association, the Canaveral Port Authority, U.S. Navy, and Brevard County Sheriff’s Office. The other comment inquired about the inclusion

of the U.S. Army Corps of Engineers (USACE) to revise the restricted area outlined in 33 CFR 334.530 to match the Coast Guard’s expanded security zone. The Coast Guard intends to make a recommendation to USACE to revise the restricted area in 33 CFR 334.530. There are no changes in the regulatory text of this rule from the proposed rule in the NPRM.

This rule expands the geographical boundaries of the current regulated area in 33 CFR 165.705(b) to include the navigable waters of the Port Canaveral Harbor’s Middle Basin. This revision redesignates § 165.705(b) to new § 165.705(a)(2).

The rule also made the following amendments: (1) Changed the title of the existing regulation in 33 CFR 165.705 from “Port Canaveral Harbor, Cape Canaveral, Florida” to “Security Zones; Port Canaveral Harbor, Cape Canaveral Air Force Station, FL;” (2) added a new paragraph (c) and changed the title to “Regulations;” (3) redesignated existing paragraph (d) as new paragraph (c)(1) with minor non-substantive changes; (4) redesignated existing paragraph (c) as new paragraph (c)(2) with minor non-substantive changes; (5) and added a new paragraph (c)(3). Lastly, we added a new paragraph (b), entitled “Definitions” to define the term “designated representative.”

##### V. Regulatory Analyses

We developed this rule after considering numerous statutes and Executive orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and Executive orders, and we discuss First Amendment rights of protestors.

###### A. Regulatory Planning and Review

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. Executive Order 13771 directs agencies to control regulatory costs through a budgeting process. This rule has not been designated a “significant regulatory action,” under Executive Order 12866. Accordingly, this rule has not been reviewed by the Office of Management and Budget (OMB), and pursuant to OMB guidance it is exempt from the requirements of Executive Order 13771.