

M3K 1Y5 Canada; or may examine this document at the FAA, Central Region, Office of the Assistant Chief Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

(g) This amendment supersedes AD 78-26-02, Amendment 39-3370.

Issued in Kansas City, Missouri, on March 24, 1997.

Henry Armstrong,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

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BILLING CODE 4910-13-U

14 CFR Part 39

[Docket No. 93-ANE-08]

RIN 2120-AA64

Airworthiness Directives; Teledyne Continental Motors IO-360, TSIO-360, LTSIO-360, IO-520, and TSIO-520 Series, and Rolls-Royce plc IO-360 and TSIO-360 Series Reciprocating Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Supplemental notice of proposed rulemaking.

SUMMARY: This notice revises an earlier proposed airworthiness directive (AD), applicable to certain Teledyne Continental Motors (TCM) IO-360, TSIO-360, LTSIO-360, IO-520, and TSIO-520 series reciprocating engines. Airworthiness directive 87-23-08 currently requires ultrasonic inspection for subsurface fatigue cracks in crankshafts installed in TCM IO-520 and TSIO-520 series engines and replacement of the crankshaft if a crack is found. The proposed AD would have superseded AD 87-23-08 by expanding the applicability of the AD to include IO-360, TSIO-360 and LTSIO-360 series engines, requiring the removal of all crankshafts manufactured using the airmelt process on all of the affected engine models and replacement with crankshafts manufactured using the vacuum arc remelt (VAR) process. That proposal was prompted by reports of crankshaft failures due to subsurface fatigue cracking on engines that had been inspected in accordance with the current AD. This action revises the proposed rule by superseding AD 87-23-08, making the new AD applicable to TCM IO-360, TSIO-360, LTSIO-360, IO-520, LIO-520, TSIO-520, LTSIO-520 and Rolls-Royce, plc IO-360 and TSIO-360 series engines, incorporating new ultrasonic inspection criteria in the AD and revising the economic impact analysis. The proposed action would still require removal of crankshafts

manufactured using the airmelt process and replacement with crankshafts manufactured using the VAR process. The actions specified by this proposed AD are intended to prevent crankshaft failure and subsequent engine failure.

DATES: Comments must be received by April 30, 1997.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 93-ANE-08, 12 New England Executive Park, Burlington, MA 01803-5299. Comments may also be sent via the Internet using the following address: "9-ad-engineprop@dot.faa.gov". Comments sent via the Internet must contain the docket number in the subject line. Comments may be inspected at this location between 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Teledyne Continental Motors, P.O. Box 90, Mobile, AL 36601; telephone (334) 438-3411. This information may be examined at the FAA, New England Region, Office of the Assistant Chief Counsel, 12 New England Executive Park, Burlington, MA.

FOR FURTHER INFORMATION CONTACT: Jerry Robinette, Aerospace Engineer, Atlanta Aircraft Certification Office, FAA, Small Airplane Directorate, Campus Building, 1701 Columbia Ave., Suite 2-160, College Park, GA 30337-2748; telephone (404) 305-7371, fax (404) 305-7348.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact

concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 93-ANE-08." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, New England Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 93-ANE-08, 12 New England Executive Park, Burlington, MA 01803-5299.

Discussion

A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to add an airworthiness directive (AD), applicable to certain Teledyne Continental Motors (TCM) IO-360, TSIO-360, LTSIO-360, IO-520 and TSIO-520 series reciprocating engines was published as a supplemental notice of proposed rulemaking (SNPRM) in the **Federal Register** on August 24, 1995 (60 FR 43995). That proposal would have superseded AD 87-23-08, Amendment 39-5735 (52 FR 41937, October 30, 1987), which currently requires ultrasonic inspection of TCM IO-520 and TSIO-520 series engines for subsurface fatigue cracks in the crankshaft and replacement of the crankshaft, if a crack is found. The proposed AD would have retained the ultrasonic inspection, but would have required the removal of crankshafts manufactured using the airmelt process and required replacement with crankshafts that were manufactured using the vacuum arc remelt (VAR) process. The proposed AD would have also expanded the affected population of engines to add the TCM IO-360, TSIO-360 and LTSIO-360 series engines to the IO-520 and TSIO-520 series engines affected by AD 87-23-08. That proposal was prompted by reports of crankshaft failures due to subsurface fatigue cracking on engines that had been inspected in accordance with AD 87-23-08. That condition, if not corrected, could result in crankshaft failure and subsequent engine failure.

Since the issuance of that SNPRM, the Federal Aviation Administration (FAA) has determined that TCM LIO-520 and LTSIO-520 and Rolls-Royce, plc IO-360 and TSIO-360 series engines are also affected and should be included in this proposal as they are identical in design and manufacturing process. The number

of engines to be added is small, estimated to be 500 worldwide. In addition, TCM has revised and improved the ultrasonic test procedure and the proposed AD should reference this new procedure. The FAA received numerous unfavorable comments

centering on the FAA's data and the economic impact of the proposed AD on small entities. Additional data was presented in the SNPRM and will not be repeated here. Since the issuance of the SNPRM, there have been additional crankshaft failures due to subsurface

fatigue cracking. The following table presents crankshaft failure data available to date for each of the last eleven years, showing the number of airmelt failures versus the number of VAR failures (airmelt/VAR):

	Airmelt			VAR		
	Engine model 360	Engine model 520	Total	Engine model 360	Engine model 520	Total
Year:						
1986	0	7	7	0	2	2
1987	2	6	8	0	1	1
1988	0	2	2	0	0	0
1989	3	6	9	0	0	0
1990	3	9	12	0	0	0
1991	0	5	5	1	0	1
1992	0	5	5	0	0	0
1993	0	6	6	0	0	0
1994	0	2	2	0	0	0
1995	1	1	2	0	0	0
1996	0	2	2	0	0	0
Total	9	51	60	1	3	4

In addition, the exchange price of the VAR crankshaft has increased since the regulatory process was initiated. The current price range is \$2,143 to \$2,599.

The number of crankshafts affected, even with the Rolls-Royce plc crankshafts added, has decreased, primarily because TCM has been replacing airmelt crankshafts with VAR crankshafts in rebuilt engines for some time. The FAA estimates that 10,100 engines are installed on aircraft of U.S. registry and would need to have the crankshaft replaced, that it would take approximately 1 work hour per engine to determine the type of crankshaft installed and that the average labor rate is \$60 per work hour. Required parts will cost approximately \$2,599 and shipping will cost approximately \$100. Based on these figures, the cost impact of replacing crankshafts on U.S. operators is estimated to be \$27,865,900 over a 10-year period or \$2,786,590 annually.

The FAA further estimates that 59,300 engines with VAR crankshafts installed would require ultrasonic inspections and the estimated cost of performing an ultrasonic inspection is \$200. The FAA estimates that approximately 10%, or 5,930 engines, would need to be overhauled annually, so the estimated total cost impact for ultrasonic inspections is \$1,186,000 annually.

Therefore, the FAA estimates the total cost impact of the AD to be \$27,865,900 over a 10-year period, plus an additional \$1,186,000 annually for the repetitive ultrasonic inspections.

Since this change expands the scope of the originally proposed rule, the FAA has determined that it is necessary to reopen the comment period to provide additional opportunity for public comment.

The regulations proposed herein would not have substantial direct effects 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, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that 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) if promulgated, 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 draft regulatory 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, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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. Section 39.13 is amended by adding the following new airworthiness directive:

Teledyne Continental Motors and Rolls-Royce, plc: Docket No. 93-ANE-08.

Applicability: Teledyne Continental Motors (TCM) IO-360, LTSIO-360, TSIO-360, IO-520, LIO-520, LTSIO-520 and TSIO-520 series engines built on or prior to December 31, 1980; rebuilt TCM IO-360, LTSIO-360, TSIO-360, IO-520, LIO-520, LTSIO-520 and TSIO-520 series engines with serial numbers lower than those listed in TCM Critical Service Bulletin (SB) No. CSB96-8, dated June 25, 1996; TCM factory overhauled IO-360, LTSIO-360, TSIO-360, IO-520, LIO-520, LTSIO-520 and TSIO-520 series engines with serial number of 901203H and lower; and Rolls-Royce, plc IO-360 and TSIO-360 series engines with any serial number. These engines are installed on but not limited to the following aircraft: Raytheon (formerly Beech) models 95-C55, 95-C55A, D55, D55A, E55, E55A, 58, 58A, 58P, 58PA, 58TC, 58TCA, S35, V35, V35A, V35B, E33A, E33C, 35-C33A, 36, A36, F33A,

F33C and A36TC; Bellanca model 17-30A; Cessna models 172XP, A185, 188, A188, 206, T206, 207, T207, 210, T210, P210, 310R, T310P, T310Q, T310R, 320D, 320E, 320F, 336, 337, T337, P337, 340, 401, 402, 414 and T41B/C; Colemill conversion of Commander 500A; Goodyear Airship Blimp 22; Maule model M-4; Mooney model M20-K; Navion model H; Pierre Robin HR 100; The New Piper Aircraft, Inc. (formerly Piper Aircraft Company) models PA28-201T, PA28R-201T, PA28RT-201T, PA34-200T and PA34-220T; Prinair Dehavilland Heron; Reims models FR172, F337 and FT337; and Swift Museum Foundation, Inc. models GC-1A and GC-1B equipped with the IO-360 engine.

Note 1: This airworthiness directive (AD) applies to each engine identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For engines 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 (d) 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 the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent crankshaft failure and subsequent engine failure, accomplish the following:

(a) At the next engine overhaul, or whenever the crankshaft is next removed from the engine, after the effective date of this AD, whichever occurs first, determine if the crankshaft was manufactured using the airmelt or vacuum arc remelt (VAR) process in accordance with the identification procedure described in TCM Critical SB No. CSB96-8, dated June 25, 1996. If the crankshaft was manufactured using the airmelt process or if the manufacturing process is unknown, remove the crankshaft from service and replace with a serviceable crankshaft manufactured using the VAR process.

(b) For all TCM IO-360, LTSIO-360, TSIO-360, IO-520, LIO-520, LTSIO-520 and TSIO-520 and Rolls-Royce, plc IO-360 and TSIO-360 engine models that have VAR crankshafts installed, regardless of serial number; at the next and every subsequent crankshaft removal from the engine case or installation of a replacement crankshaft, prior to crankshaft installation in the engine, conduct an ultrasonic inspection of the crankshaft in accordance with the procedures specified in TCM Mandatory SB No. MSB96-10, dated August 15, 1996, and, if necessary, replace with a serviceable part.

Note 2: Accomplishment of the ultrasonic inspection required by this AD does not fulfill any requirements for magnaflux or any other inspections specified in TCM or Rolls-Royce, plc overhaul manuals.

(c) The ultrasonic inspection of the crankshaft must be performed by a non-

destructive test (NDT) ultrasonic (UT) Level II inspector who is qualified under the guidelines established by the American Society of Nondestructive Testing or MIL-STD-410 or FAA-approved equivalent, or must be trained by TCM personnel or their designated representative on how to accomplish and conduct this inspection procedure. The person approving the engine for return to service is required to verify that the UT inspection was accomplished in accordance with the requirements of this paragraph.

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Atlanta Aircraft Certification Office. The request should be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, Atlanta Aircraft Certification Office.

Note 3: Information concerning the existence of approved alternative methods of compliance with this airworthiness directive, if any, may be obtained from the Atlanta Aircraft Certification Office.

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the aircraft to a location where the requirements of this AD can be accomplished.

Issued in Burlington, Massachusetts, on March 12, 1997.

James C. Jones,

Acting Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 97-7978 Filed 3-28-97; 8:45 am]

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FEDERAL TRADE COMMISSION

16 CFR Part 425

Request for Comments Concerning Rule Regarding Use of Negative Option Plans by Sellers in Commerce

AGENCY: Federal Trade Commission.

ACTION: Request for public comments.

SUMMARY: The Federal Trade Commission ("Commission") requests public comments about the overall costs and benefits and the continuing need for its Trade Regulation Rule regarding the Use of Negative Option Plans by Sellers in Commerce ("the Negative Option Rule" or "the Rule"), as part of the Commission's systematic review of all current Commission regulations and guides.

DATES: Written comments will be accepted until June 2, 1997.

ADDRESSES: Comments should be directed to: Secretary, Federal Trade Commission, Room H-159, Sixth Street and Pennsylvania Ave., N.W., Washington, D.C. 20580. Comments should be identified as "Negative

Option Rule, 16 CFR Part 425—Comment."

FOR FURTHER INFORMATION CONTACT: Edwin Rodriguez, Attorney, Federal Trade Commission, Washington, D.C. 20580, telephone number (202) 326-3147.

SUPPLEMENTARY INFORMATION:

I. Background

A. Negative Option Rule

The Commission promulgated the Negative Option Rule on February 15, 1973, 38 FR 4896 (1973), under section 5 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. 45.¹ The Rule became effective on June 7, 1974. In promulgating the Rule following a rulemaking proceeding, the Commission made the following findings:

(1) marketers of prenotification negative option plans had failed to disclose adequately the provisions of such plans to the detriment of their subscribers, Id. at 4899;

(2) subscribers had encountered difficulties in substantiating that they were not given adequate time to respond to the negative option notice supplied by the merchandiser, Id. at 4900;

(3) marketers of prenotification negative option plans had delivered unordered or substituted merchandise in the place of merchandise specifically ordered by subscribers, without their subscribers' prior consent, Id.;

(4) marketers of prenotification negative option plans had failed to honor proper cancellation notices from contract-complete subscribers² and continued to send them merchandise, Id. at 4901;

(5) subscribers had been dunned or billed for unordered merchandise, and sellers had failed to provide meaningful service to a large number of their subscribers in connection with complaints involving operations, particularly in regard to billing problems, Id.; and

(6) marketers of prenotification negative option plans had operated their entire systems in such a manner as to place the burden for correcting "errors" on their subscribers, Id. at 4902.

Based on these findings, the Commission determined that it was in the public interest to prescribe

¹ Section 5 of the FTC Act declares unfair methods of competition and unfair or deceptive acts or practices to be unlawful.

² Negative option plans often require subscribers to purchase a minimum quantity of merchandise, after which they may cancel their subscriptions. The Rule refers to a subscriber who has purchased the minimum quantity of merchandise required by the terms of the plan as a "contract-complete subscriber."