TABLE 3–70—ALTERNATIVE MODELING TREATMENT INPUTS—Continued

Variable	Description
FAS115	Designation that the item is recorded at fair value, according to FAS 115
RATING	Instrument or counterparty rating
FHA	In the case of off-balance sheet guarantees, a designation indicating 100% of collateral is guaranteed by FHA
MARGIN	Margin over an Index

* * * * *

3.10.3.6.2 * * *

[a] * * *

1. Fair Values

a. The valuation impact of any Applicable Fair Value Standards (AFVS), cumulative from their time of implementation, will be reversed out of the starting position data, by debiting any accumulated credits, and crediting any accumulated debits.

(1) AFVS are defined as GAAP pronouncements that require or allow fair value measurements, e.g., EITF 99–20, FAS 65, FAS 87, FAS 115, FAS 133, FAS 140, FAS 149 and FIN 45. Valuation impacts of AVFS pertain only to amounts that are measured at fair value and not to other amounts that are included in AFVS but are not measured at fair value.

(2) The GAAP pronouncements covered by this treatment are subject to OFHEO review. The Enterprises will submit a list of standards and pronouncements that are being reversed in their RBC Reports.

b. After reversing the valuation impact of AFVS, any affected items are presented as follows:

(1) If absent the adoption of the AFVS, the affected transactions measured at fair value would have been accounted for on an amortized cost basis, they are presented as if they had always been accounted for on an amortized cost basis. Amounts not measured at fair value are represented as specified by GAAP and are presented using current GAAP rules.

(2) To the extent that transactions would not have been accounted for on an amortized cost basis, they are accounted for as if they were income and expense items.

* * * * *

Dated: November 21, 2006.

James B. Lockhart III,

Director, Office of Federal Housing Enterprise Oversight.

[FR Doc. 06–9446 Filed 12–13–06; 8:45 am]

BILLING CODE 4220–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[FAA–2006–26437; Directorate Identifier 2006–CE–73–AD; Amendment 39–14855; AD 2006–25–14]

RIN 2120–AA64

Airworthiness Directives; Schempp-Hirth Flugzeugbau GmbH Model Duo Discus T Gliders

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: We are adopting a new airworthiness directive (AD) for the products listed above. This AD results from mandatory continuing airworthiness information (MCAI) issued by the aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI describes the unsafe condition as the possible failure of the attachment of the propeller blades. This AD requires actions that are intended to address the unsafe condition described in the MCAI.

DATES: This AD becomes effective January 3, 2007.

We must receive comments on this AD by January 16, 2007.

ADDRESSES: You may send comments by any of the following methods:

- DOT Docket Web site: Go to *http://dms.dot.gov* and follow the instructions for sending your comments electronically.
- Fax: (202) 493–2251.
- Mail: Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401, Washington, DC 20590–0001.
- Hand Delivery: Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.
- Federal eRulemaking Portal: *http://www.regulations.gov*. Follow the instructions for submitting comments.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://dms.dot.gov*; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Office (telephone (800) 647–5227) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Greg Davison, Glider Program Manager, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4130; fax: (816) 329–4090.

SUPPLEMENTARY INFORMATION:

Streamlined Issuance of AD

The FAA is implementing a new process for streamlining the issuance of ADs related to MCAI. The streamlined process will allow us to adopt MCAI safety requirements in a more efficient manner and will reduce safety risks to the public. This process continues to follow all FAA AD issuance processes to meet legal, economic, Administrative Procedure Act, and **Federal Register** requirements. We also continue to meet our technical decision-making responsibilities to identify and correct unsafe conditions on U.S.-certificated products.

This AD references the MCAI and related service information that we considered in forming the engineering basis to correct the unsafe condition. The AD contains text copied from the MCAI and for this reason might not follow our plain language principles.

Discussion

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued AD No.: 2006–0294–E, dated September 25, 2006 (referred to after this as ''the MCAI''), to correct an unsafe condition for the specified products. The MCAI states that the aircraft manufacturer has identified a possible failure of the attachment of the propeller blades and

that the propeller hub has to be checked and overhauled. You may obtain further information by examining the MCAI in the AD docket.

Relevant Service Information

Schempp-Hirth Flugzeugbau GmbH has issued Technical Note No. 890–8/868–11, dated September 22, 2006. The actions described in this service information are intended to correct the unsafe condition identified in the MCAI.

FAA's Determination and Requirements of the 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 this State of Design Authority, they have notified us of the unsafe condition described in the MCAI and service information referenced above. We are issuing this AD because we evaluated all information provided by the State of Design Authority and determined the 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 have also required different actions in this AD from those in the MCAI in order to follow FAA policies. Any such differences are described in a separate paragraph of the AD. These requirements take precedence over those copied from the MCAI.

FAA's Determination of the Effective Date

An unsafe condition exists that requires the immediate adoption of this AD. The FAA has found that the risk to the flying public justifies waiving notice and comment prior to adoption of this rule because of a possible failure of the attachment of the propeller blades. Therefore, we determined that notice and opportunity for public comment before issuing this AD are impracticable and that good cause exists for making this amendment effective in fewer than 30 days.

Comments Invited

This AD is a final rule that involves requirements affecting flight safety, and we did not precede it by notice and opportunity for public comment. We invite you to send any written relevant data, views, or arguments about this AD. Send your comments to an address listed under the **ADDRESSES** section. Include ''Docket No. FAA–2006–26437; Directorate Identifier 2006–CE–73–AD'' at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this AD. We will consider all comments received by the closing date and may amend this AD because of those comments.

We will post all comments we receive, without change, to *http://dms.dot.gov*, including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this AD.

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 AD will not have federalism implications under Executive Order 13132. This AD 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.

For the reasons discussed above, I certify that this AD:

(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.

We prepared a regulatory evaluation of the estimated costs to comply with this AD and placed it in the AD docket.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

Adoption of the Amendment

■ Accordingly, under the authority delegated to me by the Administrator, the FAA amends14 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:

2006–25–14 SCHEMPP–HIRTH FLUGZEUGBAU GMBH: Amendment 39–14855; Docket No. FAA–2006–26437; Directorate Identifier 2006–CE–73–AD.

Effective Date

(a) This airworthiness directive (AD) becomes effective January 3, 2007.

Affected ADs

(b) None.

Applicability

(c) This AD applies to Model Duo Discus T gliders, serial numbers 1 through 149, certificated in any category.

Reason

(d) The mandatory continuing airworthiness information (MCAI) states the aircraft manufacturer has identified a possible failure of the attachment of the propeller blades and that the propeller hub has to be checked and overhauled.

Actions and Compliance

(e) As of January 3, 2007 (the effective date of this AD), unless already done, do the following actions.

(1) *For propellers with less than 15 hours time-in-service (TIS) as of the effective date of this AD:*

(i) Prior to the first flight of each day, visually inspect the propeller hub in the area of the five propeller blade roots for cracks using a minimum 10x magnifier. If necessary, clean the hub before checking.

(ii) Prior to further flight after any crack is found or upon accumulating 15 hours TIS, whichever occurs first, remove the propeller hub and return to the propeller manufacturer for inspection and overhaul. Send the propeller hub along with the propeller hours time-in-service (TIS) to Technoflug

Leichtflugzeugbau GmbH, Dr. Kurt Steim Strasse 6, D–78713 Schramberg.

(iii) You may remove the propeller hub and return as specified in paragraph (e)(1)(ii) of this AD at any time prior to accumulating 15 hours TIS on the propeller to terminate the inspection requirement of paragraph (e)(1)(i) of this AD.

(2) *For propellers with 15 or more hours TIS as of the effective date of this AD:* Prior to further flight, remove the propeller hub and return to the propeller manufacturer for inspection and overhaul. Send the propeller hub along with the propeller hours time-in-service (TIS) to Technoflug Leichtflugzeugbau GmbH, Dr. Kurt Steim Strasse 6, D–78713 Schramberg.

(3) *For all sailplanes:* With the propeller removed, the powered sailplane can temporarily be used in the sailplane configuration. If the engine battery (at the steel frame between the seats) is not removed, a new weight and balance report is not necessary. After the inspection and overhaul of the propeller hub is done, the propeller must be reinstalled.

FAA AD Differences

Note: This AD differs from the MCAI and/or service information as follows:

(1) The MCAI did not have a required action if cracks were found during the inspection. This AD requires the propeller hub to be overhauled by the manufacturer before further flight if cracks are found.

(2) The MCAI allowed continued flight over the 15 hour propeller TIS limit (up to the annual inspection) if the propeller TIS was less than 15 hours as of the effective date of this AD. For propellers at or less than 15 hours TIS, the FAA is requiring the propeller hub to be overhauled by the manufacturer upon the accumulation of 15 hours TIS or prior to further flight if cracks are found, whichever occurs first.

(3) The service information allows for the pilot to perform the inspection and the removal and reinstallation of the propeller. By FAA regulation (14 CFR part 43), the pilot is not allowed to do these actions and an appropriately-rated mechanic must perform these actions.

(4) The MCAI incorporates the service information. We have modified the procedures in the service information as stated above and incorporated the procedures into this AD. This AD only references the service information.

Other FAA AD Provisions

(f) The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, Standards Staff, FAA, ATTN: Gregory Davison Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4130; fax: (816) 329–4090, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19.

(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 (44 U.S.C. 3501 et seq.), the Office of Management and Budget (OMB) has approved the information collection requirements and has assigned OMB Control Number 2120–0056.

Related Information

(g) Refer to European Aviation Safety Agency (EASA) AD No.: 2006–0294–E, dated September 25, 2006, and Schempp-Hirth Flugzeugbau GmbH Technical Note No. 890–8/868–11, dated September 22, 2006, for related information.

Material Incorporated by Reference

(h) None.

Issued in Kansas City, Missouri on December 7, 2006.

John R. Colomy,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. E6–21212 Filed 12–13–06; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2006–26414; Directorate Identifier 2006–NE–42–AD; Amendment 39–14854; AD 2006–25–13]

RIN 2120–AA64

Airworthiness Directives; Rolls-Royce Corporation AE 2100D3 Turboprop Engines

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Final rule; request for comments.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for Rolls-Royce Corporation (RRC) AE 2100D3 turboprop engines. This AD requires removing certain part number (P/N) compressor cone shaft assemblies at a new reduced cyclic life limit of 5,000 engine cycles. This AD results from low-cycle-fatigue testing and analysis of certain P/N compressor cone shaft assemblies, by RRC. We are issuing this AD to prevent uncontained failure of the compressor cone shaft assembly, leading to engine shutdown and damage to the airplane.

DATES: This AD becomes effective December 29, 2006.

We must receive any comments on this AD by February 12, 2007.

ADDRESSES: Use one of the following addresses to comment on this AD:

- DOT Docket Web site: Go to *http://dms.dot.gov* and follow the instructions for sending your comments electronically.
- Governmentwide rulemaking Web site: Go to *http://www.regulations.gov* and follow the instructions for sending your comments electronically.
- Mail: Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401, Washington, DC 20590–0001.
- Fax: (202) 493–2251.
- Hand Delivery: Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Contact Rolls-Royce Corporation, P.O. Box 420, Indianapolis, IN 46206–0420; telephone (317) 230–6400; fax (317) 230–4243 for the service information identified in this AD.

FOR FURTHER INFORMATION CONTACT: Michael Downs, Aerospace Engineer, Chicago Aircraft Certification Office, FAA, 2300 East Devon Avenue, Des Plaines, IL 60018–4696; telephone (847) 294–7870; fax (847) 294–7834.

SUPPLEMENTARY INFORMATION: RRC conducted low-cycle-fatigue testing, and strength and life analysis, of compressor cone shaft assemblies, P/Ns 23050728, 23070729, and 23076017. The study concluded that these compressor cone shaft assemblies have a lower fatigue life than originally calculated. This condition, if not corrected, could result in uncontained failure of the compressor cone shaft assembly, leading to engine shutdown and damage to the airplane.

FAA's Determination and Requirements of This AD

Although no airplanes that are registered in the United States use these RRC AE 2100D3 turboprop engines, the possibility exists that the engines could be used on airplanes that are registered in the United States in the future. The unsafe condition described previously is likely to exist or develop on other AE 2100D3 turboprop engines of the same type design. We are issuing this AD to prevent uncontained failure of the compressor cone shaft assembly, leading to engine shutdown and damage to the airplane. This AD requires removing compressor cone shaft assemblies, P/Ns 23050728, 23070729, and 23076017, at a new reduced cyclic life limit of 5,000 engine cycles. The original cyclic life limit was 20,000 engine cycles. RRC will revise Chapter 5 of the maintenance