

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:

Boeing: Docket 2002–NM–334–AD.

Applicability: All Model 707 and 720 series airplanes, as listed in Boeing 707/720 Service Bulletin A3502, dated February 21, 2002; certificated in any category.

Compliance: Required as indicated, unless accomplished previously.

To prevent separation of the engine from the airplane due to stress corrosion cracking and consequent fracturing of the bolts, accomplish the following:

Service Bulletin References

(a) The term “service bulletin,” as used in this AD, means the Accomplishment Instructions of Boeing 707/720 Service Bulletin A3502, dated February 21, 2002.

Inspection and Corrective Action

(b) Except as provided by paragraph (c) of this AD, within 12 months from the effective date of this AD, perform a general visual inspection of the bolts forward of the wing front spar upper chord on the overwing support fittings of the inboard and outboard nacelle struts to verify that BACB30US type bolts are installed, per Figure 1 of the service bulletin.

Note 1: For the purposes of this AD, a general visual inspection is defined as: “A visual examination of an interior or exterior area, installation, or assembly to detect obvious damage, failure, or irregularity. This level of inspection is made from within touching distance unless otherwise specified. A mirror may be necessary to enhance visual access to all exposed surfaces in the inspection area. This level of inspection is made under normally available lighting conditions such as daylight, hangar lighting, flashlight, or droplight and may require removal or opening of access panels or doors. Stands, ladders, or platforms may be required to gain proximity to the area being checked.”

(c) The service bulletin specifies that reviewing records is another way to verify if a BACB30US type bolt is installed. However, this AD does not allow that alternative. The general visual inspection required by paragraph (b) of this AD must be accomplished to verify if BACB30US type bolts are installed.

(d) If any bolt other than the BACB30US type bolts specified in Figure 1 of the service bulletin is found during the inspection required by paragraph (b) of this AD or if any bolt cannot be identified: Prior to further flight, do the actions specified in paragraphs (d)(1) and (d)(2) of this AD, per Figure 2 of the service bulletin.

(1) Perform a high frequency eddy current (HFEC) inspection of the hole bore for cracks and corrosion and measure the hole to verify the diameter is within the specified dimensions. If any corrosion or cracking is found or if the measured hole diameter is not within the specified dimensions, and the service bulletin specifies to contact Boeing for appropriate action: Prior to further flight, repair per a method approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA; or per data meeting the type certification basis of the airplane approved by a Boeing Company Designated Engineering Representative who has been authorized by the Manager, Seattle ACO, to make such findings. For a repair method to be approved, the approval must specifically reference this AD.

(2) Replace the bolt with a new BACB30US type bolt per Figure 2 of the service bulletin.

Parts Installation

(e) As of the effective date of this AD, no person shall install any bolt other than a BACB30US type bolt in the locations specified in this AD, on any airplane.

Alternative Methods of Compliance

(f) In accordance with 14 CFR 39.19, the Manager, Seattle Aircraft Certification Office, FAA, is authorized to approve alternative methods of compliance for this AD.

Issued in Renton, Washington, on November 17, 2003.

Kalene C. Yanamura,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 03–29341 Filed 11–24–03; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2003–NM–50–AD]

RIN 2120–AA64

Airworthiness Directives; Boeing Model 777–200 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Boeing Model 777–200 series airplanes. This proposal would require a one-time general visual inspection of wire bundles routed aft of electrical disconnect panel AC2162 to determine their installation and separation, and corrective actions, if necessary. This action is necessary to prevent damage to the stabilizer cutout circuit wires in the bundles due to contact between the bundles and the adjacent galley water

drain tube and hydraulic tubes, which if followed by active fault in stabilizer command circuit, could result in undesired stabilizer motion that cannot be stopped, and could lead to loss of pitch control and loss of control of the airplane. This action is intended to address the identified unsafe condition.

DATES: Comments must be received by January 9, 2004.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2003–NM–50–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9 a.m. and 3 p.m., Monday through Friday, except Federal holidays. Comments may be submitted via fax to (425) 227–1232. Comments may also be sent via the Internet using the following address: 9-anm-nprmcomment@faa.gov. Comments sent via fax or the Internet must contain “Docket No. 2003–NM–50–AD” in the subject line and need not be submitted in triplicate. Comments sent via the Internet as attached electronic files must be formatted in Microsoft Word 97 or 2000 or ASCII text.

The service information referenced in the proposed rule may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124–2207. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Binh Tran, Aerospace Engineer, Systems and Equipment Branch, ANM–130S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 917–6485; fax (425) 917–6590.

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 shall 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 action may be changed in light of the comments received.

Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to

change the compliance time and a request to change the service bulletin reference as two separate issues.

- For each issue, state what specific change to the proposed AD is being requested.

- Include justification (*e.g.*, reasons or data) for each request.

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 action must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 2003-NM-50-AD." 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, Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2003-NM-50-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The FAA has received a report of a chronic occurrence of the stabilizer rate valve failure maintenance message on a Model 777 airplane. The cause of the occurrence was due to wire bundles lying on top of the galley water drain tube. The wire bundles had an intermittent conductor-to-shield short because of contact with the tube and vibration. It is likely the wire bundles were in contact with the tube because, during production, the wire bundles were not installed properly with adequate separation. This condition, if not corrected, and if followed by active fault in stabilizer command circuit, could result in undesired stabilizer motion that cannot be stopped. Stabilizer motion that cannot be stopped could lead to loss of pitch control and loss of control of the airplane.

Explanation of Relevant Service Information

The FAA has reviewed and approved Boeing Service Bulletin 777-27-0057, dated August 22, 2002, which describes procedures for performing a one-time general visual inspection of the wire bundles that route aft of electrical

disconnect panel AC2162 to determine their installation and separation, and corrective actions, if necessary. The corrective actions include performing a detailed inspection of the wire bundles for damage, repair of the wire bundles if necessary, and securing the wire bundles as necessary. Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would require accomplishment of the actions specified in the service bulletin described previously, except as discussed below.

Differences Between Proposed Rule and Service Bulletin

Operators should note that, although the service bulletin recommends accomplishing the inspection at the first convenient maintenance opportunity, the FAA has determined that such an imprecise compliance time would not address the identified unsafe condition in a timely manner. In developing an appropriate compliance time for this AD, the FAA considered not only the manufacturer's recommendation, but the degree of urgency associated with addressing the subject unsafe condition, the average utilization of the affected fleet, and the time necessary to perform the inspection (one hour). In light of all of these factors, the FAA finds a compliance time of within 18 months from the effective date of the AD for completing the required actions to be warranted, in that it represents an appropriate interval of time allowable for affected airplanes to continue to operate without compromising safety.

Cost Impact

There are approximately 64 airplanes of the affected design in the worldwide fleet. The FAA estimates that 17 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 1 work hour per airplane to accomplish the proposed general visual inspection, and that the average labor rate is \$65 per work hour. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be \$1,105, or \$65 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would

accomplish those actions in the future if this proposed AD were not adopted. The cost impact figures discussed in AD rulemaking actions represent only the time necessary to perform the specific actions actually required by the AD. These figures typically do not include incidental costs, such as the time required to gain access and close up, planning time, or time necessitated by other administrative actions. Manufacturer warranty remedies may be available for labor costs associated with this proposed AD. As a result, the costs attributable to the proposed AD may be less than stated above.

Regulatory Impact

The regulations proposed herein 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. Therefore, it is determined that this proposal would not have federalism implications under Executive Order 13132.

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:

Boeing: Docket 2003–NM–50–AD.

Applicability: Model 777–200 series airplanes, as listed in Boeing Service Bulletin 777–27–0057, dated August 22, 2002; certificated in any category.

Compliance: Required as indicated, unless accomplished previously.

To prevent damage to the stabilizer cutout circuit wires in the bundles due to contact between the bundles and the adjacent galley water drain tube and hydraulic tubes, which if followed by active fault in stabilizer command circuit, could result in undesired stabilizer motion that cannot be stopped, and could lead to loss of pitch control and loss of control of the airplane, accomplish the following:

Service Bulletin References

(a) The term “service bulletin,” as used in this AD, means the Accomplishment Instructions of Boeing Service Bulletin 777–27–0057, dated August 22, 2002.

Inspection

(b) Within 18 months of the effective date of this AD, perform a one-time general visual inspection of the wire bundles that route aft of electrical disconnect panel AC2162 to determine their installation and separation, in accordance with the service bulletin.

Note 1: For the purposes of this AD, a general visual inspection is defined as: “A visual examination of an interior or exterior area, installation, or assembly to detect obvious damage, failure, or irregularity. This level of inspection is made from within touching distance unless otherwise specified. A mirror may be necessary to enhance visual access to all exposed surfaces in the inspection area. This level of inspection is made under normally available lighting conditions such as daylight, hangar lighting, flashlight, or droplight and may require removal or opening of access panels or doors. Stands, ladders, or platforms may be required to gain proximity to the area being checked.”

(c) If wire bundles are installed in accordance with the service bulletin, no further action is required by this AD.

Corrective Action

(d) If any wire bundle is not installed in accordance with the service bulletin: Before further flight, perform the actions specified in paragraphs (d)(1) and (d)(2) of this AD.

(1) Perform a detailed inspection of the wire bundle for damage, and repair all damage, in accordance with the service bulletin.

Note 2: For the purposes of this AD, a detailed inspection is defined as: “An intensive visual examination of a specific structural area, system, installation, or assembly to detect damage, failure, or irregularity. Available lighting is normally supplemented with a direct source of good lighting at intensity deemed appropriate by the inspector. Inspection aids such as mirror, magnifying lenses, etc., may be used. Surface cleaning and elaborate access procedures may be required.”

(2) Add clamps or tie strips to secure the wire bundles in accordance with the service bulletin.

Alternative Methods of Compliance

(e) In accordance with 14 CFR 39.19, the Manager, Seattle Aircraft Certification Office, FAA, is authorized to approve alternative methods of compliance for this AD.

Issued in Renton, Washington, on November 17, 2003.

Kalene C. Yanamura,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 03–29342 Filed 11–24–03; 8:45 am]

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COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 36

Exempt Commercial Markets

AGENCY: Commodity Futures Trading Commission.

ACTION: Proposed rule.

SUMMARY: The Commodity Futures Trading Commission (“Commission”) is proposing two actions relating to electronic trading facilities that operate in reliance on the exemption in section 2(h)(3) of the Commodity Exchange Act (“the Act”). First, the Commission is proposing to amend Rule 36.3(b), which governs Commission access to information regarding transactions on such trading facilities, to provide for access to more relevant and useful information from all such markets. Second, the Commission is proposing rules that would require those electronic trading facilities that operate in reliance on the exemption in section 2(h)(3) and that perform a significant price discovery function for transactions in the underlying cash market to publicly disseminate certain specified trading data. These price discovery rules are being proposed pursuant to section 2(h)(4) of the Act, which authorizes the Commission to prescribe rules and regulations to ensure timely dissemination by such trading facilities of price, trading volume, and other trading data to the extent appropriate.

DATES: Comments must be received by January 26, 2004.

ADDRESSES: Comments should be sent to the Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581, attention: Office of the Secretariat. Comments may be sent by facsimile transmission to 202–418–5521 or, by e-mail to secretary@cftc.gov. Reference should be made to “Proposed Rules for Exempt Commercial Markets.”

FOR FURTHER INFORMATION CONTACT: Nancy E. Yanofsky, Chief Counsel

(telephone 202–418–5292, e-mail nyanofsky@cftc.gov), or Don Heitman, Senior Special Counsel (telephone 202–418–5041, e-mail dheitman@cftc.gov), Division of Market Oversight, Commodity Futures Trading Commission, Three Lafayette Center, 1155 21st Street, NW., Washington, DC 20581.

SUPPLEMENTARY INFORMATION:

I. Background

The Commodity Futures Modernization Act of 2000 (“CFMA”), Pub. L. 106–554, created an exemption from the Commission’s jurisdiction for transactions conducted on certain electronic commercial markets (“exempt commercial markets,” “ECMs” or “§ 2(h)(3) markets”). Specifically, § 2(h)(3) of the Act provides that, except to the extent provided in § 2(h)(4), nothing in the Act shall apply to a transaction in an exempt commodity¹ that is: (a) Entered into on a principal-to-principal basis solely between persons that are eligible commercial entities at the time the persons enter into the agreement, contract, or transaction; and (b) executed or traded on an electronic trading facility. Section 2(h)(4) provides that a transaction described in § 2(h)(3) shall be subject to certain specified provisions of the Act, such as the Act’s antimanipulation and antifraud provisions, and furthermore, that such transactions shall be subject to price dissemination rules if the electronic trading facility serves a significant price discovery function for the underlying cash market. Section 2(h)(5) requires an electronic trading facility relying on the exemption in § 2(h)(3) to provide the Commission with certain information and to comply with information access provisions set out in § 2(h)(5)(B)(i).

II. Information Access Provisions

Section 2(h)(5)(B)(i) of the Act requires an electronic trading facility relying on the exemption provided in § 2(h)(3) to provide the Commission with information regarding trading activity on the facility. The statute establishes two alternatives for providing that information:

(I) provide the Commission with access to the facility’s trading protocols and electronic access to the facility with respect to transactions conducted in reliance on the exemption set forth in paragraph (3); or

(II) provide such reports to the Commission regarding transactions executed on the facility in reliance on the exemption set forth

¹ Under the Act, exempt commodities generally are tangible, non-agricultural commodities and include energy and metals products. See § 1a(14) of the Act, 7 U.S.C. 1a(14).