

(2) Revise the Limitations section of the AFM to incorporate the changes specified in Airbus Temporary Revision (TR) 4.03.00/28, dated May 4, 2006. This may be accomplished by inserting a copy of the TR into the AFM. When general revisions of the AFM have been issued that incorporate the revisions specified in the TR, the copy of the TR may be removed from the AFM, provided the relevant information in the general revision is identical to that in TR 4.03.00/28.

Optional Terminating Action

(h) Replacement of all subject fuel boost pumps on any airplane with boost pumps having a P/N other than P/N 568-1-27202-005; or with boost pumps, P/N 568-1-27202-005, having a S/N other than 6137 and subsequent; constitutes terminating action for this AD, and the limitations required by paragraph (g) of this AD may be removed from the AFM and the maintenance program for that airplane.

Parts Installation

(i) As of the effective date of this AD, no person may install a boost pump, P/N 568-1-27202-005, having S/N 6137 and subsequent, on any airplane.

Alternative Methods of Compliance (AMOCs)

(j)(1) The Manager, International Branch, ANM-116, Transport Airplane Directorate, FAA, has the authority to approve AMOCs for this AD, if requested in accordance with the procedures found in 14 CFR 39.19.

(2) Before using any AMOC approved in accordance with § 39.19 on any airplane to which the AMOC applies, notify the appropriate principal inspector in the FAA Flight Standards Certificate Holding District Office.

Related Information

(k) The European Aviation Safety Agency (EASA) emergency airworthiness directive 2006-0106-E, dated May 2, 2006, also addresses the subject of this AD.

Material Incorporated by Reference

(l) You must use Airbus Temporary Revision 4.03.00/28, dated May 4, 2006, to perform the actions that are required by this AD, unless the AD specifies otherwise. (The approval date of Airbus Temporary Revision 4.03.00/28 is only indicated on page one of the document.) The Director of the Federal Register approved the incorporation by reference of this document in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Contact Airbus, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France, for a copy of this service information. You may review copies at the Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Room PL-401, Nassif Building, Washington, DC; on the Internet at <http://dms.dot.gov>; or at the National Archives and Records Administration (NARA). For information on the availability of this material at the NARA, call (202) 741-6030, or go to http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Issued in Renton, Washington, on June 7, 2006.

Kevin M. Mullin,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.
[FR Doc. 06-5425 Filed 6-15-06; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2006-24431; Directorate Identifier 2006-NM-011-AD; Amendment 39-14648; AD 2006-12-22]

RIN 2120-AA64

Airworthiness Directives; Airbus Model A319, A320, and A321 Airplanes

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

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for certain Airbus Model A319, A320, and A321 airplanes. This AD requires a detailed inspection for cracks and marks on the carbon blades of the ram air turbine (RAT), and replacement of the RAT with a new or serviceable RAT if necessary. This AD results from a report of three chord-wise cracks on the aft side of one carbon blade of a certain RAT. We are issuing this AD to detect and correct cracks and/or marks on the RAT carbon blades, which could result in reduced structural integrity of the carbon blade, and consequent loss of the RAT as a source of hydraulic and electrical power in an emergency.

DATES: This AD becomes effective July 21, 2006.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in the AD as of July 21, 2006.

ADDRESSES: You may examine the AD docket on the Internet at <http://dms.dot.gov> or in person at the Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL-401, Washington, DC.

Contact Airbus, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France, for service information identified in this AD.

FOR FURTHER INFORMATION CONTACT: Tim Dulin, Aerospace Engineer, International Branch, ANM-116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-2141; fax (425) 227-1149.

SUPPLEMENTARY INFORMATION:

Examining the Docket

You may examine the airworthiness directive (AD) docket on the Internet at <http://dms.dot.gov> or in person at the Docket Management Facility office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The Docket Management Facility office (telephone (800) 647-5227) is located on the plaza level of the Nassif Building at the street address stated in the ADDRESSES section.

Discussion

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to include an AD that would apply to certain Airbus Model A319, A320, and A321 airplanes. That NPRM was published in the **Federal Register** on April 13, 2006 (71 FR 19136). That NPRM proposed to require a detailed inspection for cracks and marks on the carbon blades of the ram air turbine (RAT), and replacement of the RAT with a new or serviceable RAT if necessary.

Comments

We provided the public the opportunity to participate in the development of this AD. We have considered the one comment received. The commenter, Airbus, supports the NPRM.

Conclusion

We have carefully reviewed the available data, including the comment received, and determined that air safety and the public interest require adopting the AD as proposed.

Costs of Compliance

This AD will affect about 34 airplanes of U.S. registry. The required inspection will take about 1 work hour per airplane, at an average labor rate of \$80 per work hour. Based on these figures, the estimated cost of this AD for U.S. operators is \$2,720, or \$80 per airplane.

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 have 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. See the **ADDRESSES** section for a location to examine the regulatory evaluation.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

■ Accordingly, under the authority delegated to me by the Administrator, the FAA amends 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 Federal Aviation Administration (FAA) amends § 39.13 by adding the following new airworthiness directive (AD):

2006–12–22 Airbus: Amendment 39–14648. Docket No. FAA–2006–24431; Directorate Identifier 2006–NM–011–AD.

Effective Date

(a) This AD becomes effective July 21, 2006.

Affected ADs

(b) None.

Applicability

(c) This AD applies to airplanes identified in Table 1 of this AD, certificated in any category; except those airplanes on which no modification/replacement of the ram air turbine (RAT) has been done since incorporating Airbus modification 27014 (installation of a Sundstrand RAT, part number (P/N) 766352) or 28413 (reinstallation of the Dowty RAT) in production.

TABLE 1.—APPLICABILITY

Airbus model	Equipped with
(1) A320 airplanes	A Sundstrand RAT, P/N 762308, installed by incorporating Airbus modification 27189 in production.
(2) A319 and A321 airplanes	A Sundstrand RAT, P/N 762308, installed by incorporating Airbus modification 25364 in production or Airbus Service Bulletin A320–29–1075 in service.

Unsafe Condition

(d) This AD results from a report of three chord-wise cracks on the aft side of one carbon blade of a certain RAT. We are issuing this AD to detect and correct cracks and/or marks on the RAT carbon blades, which could result in reduced structural integrity of the carbon blade, and consequent loss of the RAT as a source of hydraulic and electrical power in an emergency.

Compliance

(e) You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

Inspection and Replacement

(f) Within 600 flight hours after the effective date of this AD, do a detailed inspection for cracks and marks on the carbon blades of the RAT, in accordance with the Accomplishment Instructions of Airbus Service Bulletin A320–29–1124, dated November 23, 2005. If any crack or mark is found to be outside the limits specified in the service bulletin, before further flight, replace the RAT with a new or serviceable RAT in accordance with the Accomplishment Instructions of the service bulletin.

Note 1: For the purposes of this AD, a detailed inspection is: "An intensive examination of a specific item, installation,

or assembly to detect damage, failure, or irregularity. Available lighting is normally supplemented with a direct source of good lighting at an intensity deemed appropriate. Inspection aids such as mirrors, magnifying lenses, etc., may be necessary. Surface cleaning and elaborate procedures may be required."

Parts Installation

(g) As of the effective date of this AD, no person may install a Sundstrand RAT, P/N 762308, on any airplane, unless it has been inspected in accordance with paragraph (f) of this AD and found to be within the limits specified in the referenced service bulletin.

Alternative Methods of Compliance (AMOCs)

(h)(1) The Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA, has the authority to approve AMOCs for this AD, if requested in accordance with the procedures found in 14 CFR 39.19.

(2) Before using any AMOC approved in accordance with § 39.19 on any airplane to which the AMOC applies, notify the appropriate principal inspector in the FAA Flight Standards Certificate Holding District Office.

Related Information

(i) French airworthiness directive F–2005–212, issued December 21, 2005, also addresses the subject of this AD.

Material Incorporated by Reference

(j) You must use Airbus Service Bulletin A320–29–1124, dated November 23, 2005, to perform the actions that are required by this AD, unless the AD specifies otherwise. The Director of the Federal Register approved the incorporation by reference of this document in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Contact Airbus, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France, for a copy of this service information. You may review copies at the Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Room PL–401, Nassif Building, Washington, DC; on the Internet at <http://dms.dot.gov>; or at the National Archives and Records Administration (NARA). For information on the availability of this material at the NARA, call (202) 741–6030, or go to http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Issued in Renton, Washington, on June 7, 2006.

Kevin M. Mullin,

*Acting Manager, Transport Airplane
Directorate, Aircraft Certification Service.*

[FR Doc. 06-5424 Filed 6-15-06; 8:45 am]

BILLING CODE 4910-13-P

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Parts 4062 and 4063

RIN 1212-AB03

Liability Pursuant to Section 4062(e) of ERISA

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This rule provides a formula for computing liability under section 4063(b) of the Employee Retirement Income Security Act of 1974 ("ERISA") when there is a substantial cessation of operations by an employer as described by section 4062(e) of ERISA. That section provides, among other things, that when a section 4062(e) event occurs, liability arises under section 4063 of ERISA. However, the method described in section 4063 for determining liability is impracticable when applied to a section 4062(e) event. This rule, which is narrow in scope, provides a practicable and transparent formula for calculating employer liability when a section 4062(e) event occurs. This rulemaking is part of the PBGC's ongoing effort to streamline regulation and improve administration of the pension insurance program.

EFFECTIVE DATE: July 17, 2006. For a discussion of applicability of these amendments, see the Applicability section in **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: John H. Hanley, Director, Legislative and Regulatory Department, or James L. Beller, Jr., Attorney, Legislative and Regulatory Department, PBGC, 1200 K Street, NW., Washington, DC 20005-4026; 202-326-4024. (TTY/TDD users should call the Federal relay service by dialing 711 and ask for 202-326-4024.)

SUPPLEMENTARY INFORMATION: On February 25, 2005, (at 70 FR 9258), the Pension Benefit Guaranty Corporation (PBGC) published a proposed rule modifying 29 CFR parts 4062 (Liability for Termination of Single-employer Plans) and 4063 (Withdrawal Liability; Plans under Multiple Controlled Groups). Six comment letters were received on the proposed rule and are addressed below. The regulation is

being issued substantially as proposed with one clarification.

Section 4062(e) of ERISA provides special rules that apply when "an employer ceases operations at a facility in any location and, as a result of such cessation of operations, more than 20 percent of the total number of his employees who are participants under a plan established and maintained by him are separated from employment" (a "section 4062(e) event"). In the case of a section 4062(e) event, the employer "shall be treated with respect to that plan as if he were a substantial employer under a plan under which more than one employer makes contributions and the provisions of §§ 4063, 4064, and 4065 shall apply."¹

Thus, if a section 4062(e) event occurs, the provisions of ERISA section 4063 (among other provisions) apply to the employer. Section 4063(b) imposes liability upon a substantial employer that withdraws from a multiple employer plan. This section 4063(b) liability represents the withdrawing employer's share of the liability to the PBGC under section 4062(b) that would arise if the plan were to terminate without enough assets to pay all benefit liabilities. The section 4063(b) liability payment made by the employer is held in escrow by the PBGC for the benefit of the plan. If the plan terminates within five years, the section 4063(b) liability payment is treated as part of the plan's assets. If the plan does not terminate within five years, the liability payment is returned to the employer. The statute also provides that, in lieu of the liability payment, the contributing sponsor may be required to furnish a bond to the PBGC in an amount not exceeding 150% of the section 4063(b) liability.

The statute also specifies a method of computing the amount of the section 4063(b) liability. Section 4063(b) provides that "[t]he amount of liability shall be computed on the basis of an amount determined by the [PBGC] to be the amount described in section 4062 for the entire plan, as if the plan had been terminated by the [PBGC] on the date of the withdrawal, multiplied by a fraction (1) the numerator of which is the total amount required to be contributed to the plan by such contributing sponsor for the last 5 years ending prior to the withdrawal, and (2) the denominator of which is the total

amount required to be contributed to the plan by all contributing sponsors for such last 5 years."

In sum, section 4063(b) imposes liability and provides a method for determining the amount of that liability—*i.e.*, for determining the withdrawing employer's portion of the liability to the PBGC under section 4062(b) that would arise if the plan terminated.

Section 4062(e) provides that, when a section 4062(e) event occurs, the employer is treated as a substantial employer under a multiple employer plan. Thus, section 4062(e) creates liability that is analogous to the section 4063(b) liability arising when a substantial employer withdraws from a multiple employer plan. Section 4062(e) does not, however, provide any details as to how this analogy is to be implemented—*i.e.*, how the liability is to be apportioned with respect to the cessation of operations.

As explained above, when a substantial employer withdraws from a multiple employer plan, section 4063(b) allocates liability to that withdrawing employer based upon the ratio of the employer's required contributions to all required contributions for the five years preceding the withdrawal. The PBGC has found, in general, that application of this statutory allocation formula is relatively straightforward when determining the liability of a withdrawing substantial employer from a multiple employer plan because it is generally easy to verify what contributions were required to be made by the withdrawing employer and what contributions were required to be made by all of the contributing employers.²

In contrast, when there is a section 4062(e) event, there is by definition only one employer that contributes to the plan. When there is only one employer, the numerator and denominator used to determine the liability under section 4063(b) would always be equal. Thus, the literal application of the allocation method described in section 4063(b) to determine the liability arising upon a section 4062(e) event is impracticable. Instead, the PBGC has been using the method prescribed in this rule to determine that liability on a case-by-case basis.

Section 4063(b) of ERISA provides that "in addition to and in lieu of" the manner of computing the liability

¹ A section 4062(e) event is similar to an active participant reduction reportable under part 4043. Often (but not always), a facility closing that results in a section 4062(e) event also results in a reportable event described in 29 CFR 4043.21 (active participant reduction). The reporting requirements for these two types of events are separate.

² When there have been no required contributions for the plan for the past five years, the contribution method results in an undefined fraction of zero divided by zero. This presents a problem for determining liability under the contribution method of section 4063 in the context of a section 4062(e) event.