

**§ 621.5 Accounting for the allowance for loan losses and chargeoffs.**

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(a) Maintain at all times an allowance for loan losses that is determined according to generally accepted accounting principles.

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**Subpart D—Report of Condition and Performance**

12. Amend § 621.12 by revising paragraph (c) as follows:

**§ 621.12 Applicability and general instructions.**

\* \* \* \* \*

(c) All reports of condition and performance shall be submitted electronically in accordance with the instructions prescribed by the Farm Credit Administration and located on its Web site.

Dated: November 17, 2008.

**Roland E. Smith,**

*Secretary, Farm Credit Administration Board.*

[FR Doc. E8-27654 Filed 11-21-08; 8:45 am]

BILLING CODE 6705-01-P

**ADDRESSES:** You may mail two copies of your comments to: Federal Aviation Administration, Aircraft Certification Service, Engine and Propeller Directorate, Attn: Robert McCabe, ANE-110 Standards Staff, 12 New England Executive Park, Burlington, Massachusetts 01803-5299, Rules Docket No. NE129. You may deliver two copies to the Engine and Propeller Directorate at the above address. You must mark your comments: Docket No. NE 129. You may send comments via e-mail to [robert.mccabe@faa.gov](mailto:robert.mccabe@faa.gov). You must use the subject "Docket No. NE 129". You can inspect comments in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4 p.m.

**FOR FURTHER INFORMATION CONTACT:**

Federal Aviation Administration, Aircraft Certification Service, Engine and Propeller Directorate, Attn: Robert McCabe, ANE-1 10 Standards Staff, 12 New England Executive Park, Burlington, Massachusetts 01803-5299; telephone (781) 238-7138; facsimile (781) 238-7199; e-mail [robert.mccabe@faa.gov](mailto:robert.mccabe@faa.gov).

**SUPPLEMENTARY INFORMATION:**

**Comments Invited**

We invite interested people to take part in this rulemaking by sending written comments, data, or views. The most helpful comments reference a specific portion of the special conditions, explain the reason for any recommended change, and include supporting data. We ask that you send us two copies of written comments.

We will file in the docket all comments we receive, as well as a report summarizing each substantive public contact with FAA personnel about these special conditions. You can inspect the docket before and after the comment closing date. If you wish to review the docket in person, go to the address in the **ADDRESSES** section of this preamble between 7:30 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

We will consider all comments we receive on or before the closing date for comments. We will consider comments filed late, if it is possible to do so without incurring expense or delay. We may change these special conditions based on the comments we receive.

If you want us to let you know we received your comments on this proposal, send us a preaddressed, stamped postcard on which the docket number appears. We will stamp the date on the postcard and mail it back to you.

**Background**

On February 28, 2006, the General Electric Company (GE) applied to the FAA to amend the GENx model type certificate to add GENx-2B engine model series. Currently, the GENx type certificate consists of the GENx-1B turbofan engine models GENx-1B54, GENx-1B58, GENx-1B64, GENx-B67, and GENx-1B70. GE is requesting to add the GENx-2B67 and GENx-2B69 engine model series to the type certificate.

The GENx-2B engine model series is a close derivative of the GENx-1B engine models, and will utilize a significant number of common parts and systems. Some GENx-2B engine model components, which differ from those on the GENx-1B engine models, include a smaller diameter fan operating at a slightly higher speed, a lower guide vane count, fewer booster stages, lower bypass ratio, fewer low pressure turbine stages, lighter accessories gearbox, and a modified turbine rear frame. Those components do not introduce any unique materials, design concepts, or manufacturing processes.

The GENx-2B engine models will also incorporate fan blades manufactured using carbon graphite composite material, with a bonded metal tip cap, and metal leading and trailing edge laminates. The design and manufacture of these fan blades are similar to those used on the GE90-76B, -77B, -85B, -90B, -94B baseline engines, the GE90-110B1, -113B, and -115B derivative engine model series, and the GENx-1B engine model series. This novel and unusual design feature results in the fan blades having significant differences in material property characteristics when compared to conventionally designed fan blades using only metallic materials.

GE submitted data and analysis during the GE90 baseline and GE90-115B derivative engine model certification programs, and again during the recent GENx-JB certification program. GE was able to show that the likelihood of these carbon graphite composite fan blades failing below the inner annulus flow path line is highly improbable. GE questioned the appropriateness of the requirement contained in § 33.94(a)(1) to show containment after a failure of the fan blade at the outermost retention feature.

The FAA responded during the GE90 baseline by reviewing the historical basis for the § 33.94(a)(1) test requirements, and determined that they are based on metallic blade characteristics and service history, and therefore were not appropriate for the unusual design features of the composite fan blade design planned for

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 33**

[Docket No. NE129; Notice No. 33-08-01-SCI]

**Special Conditions: General Electric Company GENx-2B Model Turbofan Engines**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed special conditions.

**SUMMARY:** This notice proposes special conditions for General Electric Company (GE) GENx-2B67 and GENx-2B69 model turbofan engines. The fan blades of these engines will have novel or unusual design features when compared to the state of technology envisioned in the part 33 airworthiness standards. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for these design features. These special conditions contain the added safety standards the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards of 14 CFR part 33.

**DATES:** We must receive your comments on or before December 24, 2008.

that engine model. The FAA determined that a more realistic blade retention test for the novel and unusual design characteristics of these carbon fiber composite fan blades would be achieved with a blade failure at the inner annulus flow path line (the complete airfoil only), instead of at the outermost blade retention feature as currently required by § 33.94(a)(1).

The FAA also determined that the composite fan blade design and construction characteristics present factors, other than the expected location of a blade failure, which must be considered. Consequently, the FAA required that tests and analyses must account for the anticipated effects of in-service deterioration and handling damage, manufacturing and materials variations in, and environmental effects on, the composite material. The FAA also required that tests and analyses must show that a lightning strike on a composite fan blade would not result in a hazardous condition to the aircraft, and that the engine would continue to meet the requirements of 33.75.

Therefore, the FAA issued special conditions SC-33-ANIE-08 on February 1, 1995, for the GE90-75B, 76B, and -85B baseline engine models. These special conditions defined additional safety standards for the carbon graphite composite fan blades that were appropriate for the unusual design features of those fan blades, and that were determined to be necessary to establish a level of safety equivalent to that established by the airworthiness standards of § 33.94(a)(1).

The FAA determined that these special conditions were also appropriate for the derivative GE90 77B and -90B engine models, the GE90-94B engine model, and the GE90 -110B1, -113B, and -115B engine models, which were added to the TCDS in July 1996, June 2000, and July 2003, respectively. Engine model series GE90-75B was deleted from the GE90 TCDS in February 1995.

The FAA later determined that, due to the similarity of the carbon fiber composite fan blade design and construction methods to the GE90 blades, these same special conditions continued to be appropriate for the recent GENx-1B model series certification program. The FAA issued special conditions 33-006-SC on January 12, 2007, for the GENx-1B engine model series, which retained the essential requirements of the previous GE90 engine model series special conditions. These special conditions were successfully applied during the GENx-1B certification program.

Due to that success, GE now proposes to use a similar approach to demonstrate a level of safety equivalent to that established by the airworthiness standards of § 33.94(a)(1) for the GENx 2B certification program. In lieu of direct compliance to § 33.94(a)(1) using an engine test, GE notified the FAA that it plans to utilize an analytical method that will be validated by data from the GENx-1B § 33.94(a)(1) engine test, GENx-1B fan blade rig tests, GENx-2B fan blade rig tests, and other engine and component tests as needed.

Due to the similarity of the GENx-2B model series fan blade design and manufacturing methods to the previously certified GE90 and GENx-1B engine model series fan blades, the FAA is proposing to issue similar special conditions as part of the type certification basis for the GENx-2B engine models in lieu of requiring direct compliance to § 33.94(a)(1) using an engine test. These special conditions define the additional requirements the Administrator considers necessary to establish a level of safety equivalent to direct compliance to the airworthiness standards of § 33.94(a)(1).

#### Type Certification Basis

14 CFR 21.17 requires GE to show the derivative GENx-2B series turbofan engine models meet the requirements of the applicable provisions of 21.21 and part 33. The FAA has determined that the applicable airworthiness regulations in part 33 do not contain adequate or appropriate safety standards for the GENx-2B series turbofan engine models because of its novel and unusual fan blade design features. Therefore, these special conditions are prescribed under the provisions of 14 CFR 11.19 and 14 CFR 21.16, and will become part of the type certification basis of the GENx-2B engine in accordance with § 21.17(a)(2).

These special conditions apply only to the GENx-2B series turbofan engine models. If the type certificate for those models is amended later to include any other models that incorporate the same novel or unusual design features, these special conditions also apply to the other models under the provisions of 14 CFR 21.101(a)(1).

#### Novel or Unusual Design Features

The GENx-2B engine models will incorporate carbon graphite composite fan blades that will contain a bonded metal tip cap, and metal leading and trailing edge laminates. These design features are considered to be novel and unusual relative to the part 33 airworthiness standards.

#### Applicability

These special conditions will apply only to the GENx-2B series turbofan engine models. If GE applies later for a change to the type certificate to include another model incorporating the same novel or unusual fan blade design features, these special conditions may also become part of the type certification basis of that engine model series as well.

#### Conclusion

This action affects only the carbon fiber composite fan blade design features on the GENx-2B series turbofan engine models. It is not a rule of general applicability, and it affects only the General Electric Company which has applied to the FAA for certification of these fan blade design features.

#### List of Subjects in 14 CFR Part 33

Air transportation, Aircraft, Aviation safety, Safety.

The authority citation for these special conditions continues to read as follows:

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

#### The Proposed Special Conditions

Accordingly, the FAA proposes the following special conditions as part of the type certification basis for the derivative GENx-2B series turbofan engines.

1. In lieu of the fan blade containment test with the fan blade failing at the outermost retention groove as specified in § 33.94(a)(1), complete the following requirements:

(a) Conduct a fan blade containment test that is acceptable to the Administrator, with the fan blade failing at the inner annulus flow path line.

(b) Substantiate by test and analyses, or other methods acceptable to the Administrator, that the engine is capable of containing damage without catching fire and without failure of its mounting attachments when operated for at least 15 seconds, unless the resulting engine damage induces a self shutdown that initiates within 15 seconds of the fan blade failure.

(c) Substantiate by test and analyses, or other methods acceptable to the Administrator, that a minimum material properties fan disk and fan blade retention system can withstand without failure a centrifugal load equal to two times the maximum load which the retention system could experience within approved engine operating limitations.

(d) Using a procedure approved by the Administrator, establish an operating

limitation that specifies the maximum allowable number of start-stop stress cycles for the fan blade retention system. The life evaluation shall include the combined effects of high cycle and low cycle fatigue. If the operating limitation is less than 100,000 cycles, that limitation must be specified in Chapter 05 of the Engine Manual Airworthiness Limitation Section. The fan blade retention system includes the portion of the fan blade from the inner annulus flow path line inward to the blade dovetail, the blade retention components, and the fan disk and fan blade attachment features.

(e) Substantiate that, during the service life of the engine, the total probability of the occurrence of a hazardous engine effect defined in § 33.75 due to an individual blade retention system failure resulting from all possible causes will be extremely improbable, with a cumulative calculated probability of failure of less than 10 per engine flight hour.

(f) Substantiate by test or analysis acceptable to the Administrator that not only will the engine continue to meet the requirements of 33.75 following a lightning strike on the composite fan blade structure, but the lightning strike will also not cause damage to the fan blades that would prevent continued safe operation of the affected engine.

(g) Account for the effects of in-service deterioration, manufacturing variations, minimum material properties, and environmental effects during the tests and analyses required by paragraphs (a), (b), (c), (d), (e), and (f) of these special conditions.

(h) Propose fleet leader monitoring and field sampling programs for the GENx-2B engine fan blades that will monitor the effects of usage on fan blade and retention system integrity. The sampling program should use the experience gained on current GE90 and GENx-1B engine model series monitoring programs, and must be approved by the FAA prior to certification of the GENx-2B engine models.

Issued in Burlington, Massachusetts on November 12, 2008.

**Peter A. White,**

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

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## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### 24 CFR Parts 901, 902, and 907

[Docket No. FR-5094-N-02]

RIN 2577-AC68

#### Public Housing Evaluation and Oversight: Changes to the Public Housing Assessment System (PHAS) and Determining and Remediating Substantial Default: Reopening of Public Comment Period

**AGENCY:** Office of the Assistant Secretary for Public and Indian Housing, HUD.

**ACTION:** Proposed rule; reopening of Public comments period.

**SUMMARY:** On August 21, 2008, the Department published a proposed rule entitled, "Public Housing Evaluation and Oversight: Changes to the Public Housing Assessment System (PHAS) and Determining and Remediating Substantial Default." The comment period for this proposed rule ended on October 20, 2008. This notice reopens the comment period for the proposed rule to allow for additional public comment.

**DATES:** *Comment Due Date:* January 8, 2009.

**ADDRESSES:** Interested persons are invited to submit comments regarding this proposed rule to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street, SW., Room 10276, Washington, DC 20410-0500. Communications must refer to the above docket number and title. There are two methods for submitting public comments. All submissions must refer to the above docket number and title.

*1. Submission of Comments by Mail.* Comments may be submitted by mail to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 10276, Washington, DC 20410-0500.

*2. Electronic Submission of Comments.* Interested persons may submit comments electronically through the Federal eRulemaking Portal at <http://www.regulations.gov>. HUD strongly encourages commenters to submit comments electronically. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt by HUD, and enables HUD to make them immediately available to the public. Comments submitted electronically through the

<http://www.regulations.gov> Web site can be viewed by other commenters and interested members of the public. Commenters should follow the instructions provided on that site to submit comments electronically.

**Note:** To receive consideration as public comments, comments must be submitted through one of the two methods specified above. Again, all submissions must refer to the docket number and title of the rule.

*No Facsimile Comments.* Facsimile (FAX) comments are not acceptable.

*Public Inspection of Public Comments.* All properly submitted comments and communications submitted to HUD will be available for public inspection and copying between 8 a.m. and 5 p.m. weekdays at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the public comments must be scheduled by calling the Regulations Division at 202-402-3055 (this is not a toll-free number). Individuals with speech or hearing impairments may access this number via TTY by calling the Federal Information Relay Service, toll-free, at 800-877-8339. Copies of all comments submitted are available for inspection and downloading at <http://www.regulations.gov>.

**FOR FURTHER INFORMATION CONTACT:** Contact Wanda Funk, Senior Advisor, Department of Housing and Urban Development, Office of Public and Indian Housing, Real Estate Assessment Center (REAC), 550 12th Street, SW., Suite 100, Washington, DC 20410; or the REAC Technical Assistance Center at 888-245-4860 (this is a toll-free number). Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Information Relay Service at 800-877-8339. Additional information is available from the REAC Internet site at <http://www.hud.gov/offices/reac/>.

#### SUPPLEMENTARY INFORMATION:

##### 1. Proposed Rule

HUD published a proposed rule on August 21, 2008 (73 FR 49544) that submitted, for a 60-day public comment period, a comprehensive revision to the PHAS regulations. This proposed rule, entitled "Changes to the Public Housing Assessment System and Determining and Remediating Substantial Default" also proposed, among other things, revisions to the PHAS scoring system. The comment period for the proposed rule closed on October 20, by which time approximately 55 comments had been submitted by members of the public.