

Material misalignment means divergence of at least three percentage points in the one-month CPR for a cohort, or a prolonged misalignment (as determined by FHFA), or divergence greater than the prevailing threshold set by FHFA, per § 1248.5(c).

Misalign or misalignment means diverge by or a divergence of two percentage points or more (or more than the prevailing percentage threshold set by FHFA, per § 1248.5(c)), in the one-month CPR for a cohort.

Mortgage-backed security or MBS means securities collateralized by a pool or pools of single-family mortgages.

Supers means single-class re-securitizations of UMBS.

To-Be-Announced Eligible Mortgage-Backed Security (TBA-Eligible MBS) means Enterprise MBS (including Freddie Mac Participation Certificates, Giants, MBS, UMBS, and Supers; and Fannie Mae MBS, Megs, UMBS, and Supers) that meet criteria such that the market considers them sufficiently fungible to be forward traded in the TBA market.

Uniform Mortgage Backed Security or UMBS means a single-class MBS backed by fixed-rate mortgage loans on 1–4 unit (single-family) properties issued by either Enterprise which has the same characteristics (such as payment delay, pooling prefixes, and minimum pool submission amounts) regardless of which Enterprise is the issuer.

§ 1248.2 Purpose.

The purpose of this part is to:

(a) Enhance liquidity in the MBS marketplace, and to that end, enable adoption of the UMBS, by achieving sufficient similarity of cash flows on cohorts of TBA-eligible MBS such that investors will accept delivery of UMBS from either issuer in settlement of trades on the TBA market.

(b) Provide transparency and durability into the process for creating alignment.

§ 1248.3 General alignment.

Each Enterprise's covered programs, policies, and practices must align with the other Enterprise's covered programs, policies, and practices.

§ 1248.4 Enterprise consultation.

When and in the manner instructed by FHFA, the Enterprises shall consult with each other on any issues, including changes to covered programs, policies, and practices that potentially or actually cause cash flows to TBA-eligible MBS investors to misalign.

§ 1248.5 Misalignment.

(a) The Enterprises must report any misalignment to FHFA.

(b) The Enterprises must submit, in a timely manner, a written report to FHFA on any material misalignment describing, at a minimum, the likely cause of material misalignment and the Enterprises' plan to address the material misalignment.

(c) FHFA will temporarily adjust the percentages in the definitions of align, misalignment, and material misalignment, if FHFA determines that market conditions dictate that an adjustment is appropriate.

(1) In adjusting the percentages, FHFA will consider:

(i) The prevailing level and volatility of interest rates,

(ii) The level of credit risk embedded in the Enterprises' TBA-eligible MBS, and

(iii) Such other factors as FHFA may, in consultation with the Enterprises, determine to be appropriate to promote market confidence in the alignment of cash flows to TBA-eligible MBS investors and to foster the efficiency and liquidity of the secondary mortgage market.

(2) If adjusted percentages remain in effect for six months or more, FHFA will amend this Part's definitions by **Federal Register** Notice, with opportunity for public comment.

§ 1248.6 Covered programs, policies, and practices.

(a) *Enterprise Change Management Processes*. Each Enterprise must establish and maintain an Enterprise-wide governance process to ensure that any proposed changes to covered programs, policies, and practices that may cause misalignment are identified, reviewed, escalated, and submitted, in writing, to FHFA for review and approval in a timely manner.

(1) Submissions to FHFA must include projections for prepayment rates and for removals of delinquent loans under a range of interest rate environments and assumptions concerning borrower defaults.

(2) Submissions to FHFA must include an analysis of the impact on borrower demand and impact on the cheapest-to-deliver security down to the decile.

(3) Submissions to FHFA must include an analysis of identified risks and may include potential mitigating actions.

(b) *Enterprise Monitoring*. Any changes to covered programs, policies, and practices that an Enterprise reasonably should identify as having been a likely cause of an unanticipated divergence between Enterprises in the one month CPR of the same cohort shall

be reported promptly to FHFA in writing.

(c) *FHFA Monitoring*. FHFA will monitor changes to covered programs, policies, and practices for effects on cash flows to TBA-eligible MBS investors.

§ 1248.7 Remedial actions.

(a) Based on its review of reports submitted by the Enterprises and reports issued by independent parties, FHFA may:

(1) Require an Enterprise to undertake additional analysis, monitoring, or reporting to further the purposes of this part.

(2) Require an Enterprise to change covered programs, policies, and practices that FHFA determines may conflict with the purposes of this part.

(b) To address material misalignment, FHFA may require additional and expedient Enterprise actions based on:

(1) Consultation with the Enterprises regarding the cause of the material misalignment;

(2) Review of Enterprise compliance with previously agreed upon or FHFA-required actions; and

(3) Review of the effectiveness of such actions to determine whether they are achieving the purpose of this part.

§ 1248.8 De minimis exception.

FHFA may exclude from the requirements of this Part, covered programs, policies, or practices that solely affect cohorts with unpaid principal balances below \$5 billion.

Dated: September 11, 2018.

Melvin L. Watt,

Director, Federal Housing Finance Agency.

[FR Doc. 2018–20124 Filed 9–14–18; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0792; Product Identifier 2018–NM–090–AD]

RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc., Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain Bombardier, Inc., Model BD–100–1A10 airplanes. This proposed AD was

prompted by an incident of uncommanded nose wheel steering (NWS) in-service; subsequent investigation revealed that the steering selector valve (SSV) is susceptible to jamming in the open position due to particulate contamination of the hydraulic system. This proposed AD would require modifying the left-hand hydraulic system of the NWS control system and, for certain airplanes, torquing the fittings on a certain tube assembly. We are proposing this AD to address the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by November 1, 2018.

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Fax:* 202-493-2251.
- *Mail:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.
- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; telephone 514-855-5000; fax 514-855-7401; email thd.crj@aero.bombardier.com; internet <http://www.bombardier.com>. You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195.

Examining the AD Docket

You may examine the AD docket on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2018-0792; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the regulatory evaluation, any comments received, and other information. The street address for Docket Operations (phone: 800-647-5527) is in the

ADDRESSES section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Darren Gassetto, Aerospace Engineer, Mechanical Systems and Admin Services Section, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516-228-7323; fax 516-794-5531; email 9-avs-nyaco-cos@faa.gov.

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under the **ADDRESSES** section. Include “Docket No. FAA-2018-0792; Product Identifier 2018-NM-090-AD” at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this NPRM. We will consider all comments received by the closing date and may amend this NPRM because of those comments.

We will post all comments we receive, without change, to <http://www.regulations.gov>, including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this NPRM.

Discussion

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian AD CF-2018-11, dated April 5, 2018 (referred to after this as the Mandatory Continuing Airworthiness Information, or “the MCAI”), to correct an unsafe condition for certain Bombardier, Inc., Model BD-100-1A10 airplanes. The MCAI states:

An incident of uncommanded nose wheel steering occurred in-service. Subsequent investigation revealed that the steering selector valve (SSV) was vulnerable to jamming in the open position due to particulate contamination of the hydraulic system. If not corrected, a jam of the SSV, following the independent failure of a second component of the nose wheel steering system, could result in uncommanded nose wheel steering and a risk of runway excursion.

This [Canadian] AD requires the incorporation of a hydraulic fluid filter in the line supplying pressure from the direct current motor pump to the nose wheel

steering system [and, for certain airplanes, torquing the fittings on a certain tube assembly].

You may examine the MCAI in the AD docket on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2018-0792.

Related Service Information Under 1 CFR Part 51

Bombardier has issued Service Bulletins 100-32-31, Revision 03; and 350-32-007, Revision 03; both dated March 27, 2018. This service information describes procedures for modifying the left-hand hydraulic system of the NWS control system by installing a hydraulic filter into the hydraulic line between the direct current motor pump and the SSV and, for certain airplanes, torquing the fittings on a certain tube assembly. These documents are distinct since they apply to different airplane configurations.

This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

FAA’s Determination

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 the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all the relevant information and determined the unsafe condition described previously is likely to exist or develop on other products of the same type design.

Proposed Requirements of This NPRM

This proposed AD would require accomplishing the actions specified in the service information described previously.

Costs of Compliance

We estimate that this proposed AD affects 534 airplanes of U.S. registry. We estimate the following costs to comply with this proposed AD:

ESTIMATED COSTS

| Labor cost | Parts cost | Cost per product | Cost on U.S. operators |
|---|------------|------------------|------------------------|
| 25 work-hours × \$85 per hour = \$2,125 | \$13,196 | \$15,321 | \$8,181,414 |

According to the manufacturer, some or all of the costs of this proposed AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage for affected individuals. As a result, we have included all known costs in our cost estimate.

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.

This proposed AD is issued in accordance with authority delegated by the Executive Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C. In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to transport category airplanes to the Director of the System Oversight Division.

Regulatory Findings

We determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD 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.

For the reasons discussed above, I certify 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);
3. Will not affect intrastate aviation in Alaska; and
4. 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.

List of Subjects in 14 CFR Part 39

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

The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 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 FAA amends § 39.13 by adding the following new airworthiness directive (AD):

Bombardier, Inc.: Docket No. FAA-2018-0792; Product Identifier 2018-NM-090-AD.

(a) Comments Due Date

We must receive comments by November 1, 2018.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Bombardier, Inc., Model BD-100-1A10 airplanes, certificated in any category, serial numbers 20002 through 20744 inclusive.

(d) Subject

Air Transport Association (ATA) of America Code 32, Landing Gear.

(e) Reason

This AD was prompted by an incident of uncommanded nose wheel steering (NWS) in-service; subsequent investigation revealed that the steering selector valve (SSV) is susceptible to jamming in the open position due to particulate contamination of the hydraulic system. We are issuing this AD to address jamming of the SSV after independent failure of a second component of the NWS control system, which could result in uncommanded NWS and a possible runway excursion.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Modify Hydraulic System

Except for airplanes identified in paragraph (h) of this AD: Within 2,000 flight cycles or 60 months after the effective date of this AD, whichever occurs first, modify the left-hand hydraulic system of the NWS control system by installing a hydraulic filter into the hydraulic line between the direct

current motor pump and the SSV, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 100-32-31, Revision 03; or Bombardier Service Bulletin 350-32-007, Revision 03; both dated March 27, 2018; as applicable.

(h) Additional Action for Certain Airplanes

For airplanes that have incorporated Bombardier Service Bulletin 100-32-31, dated January 4, 2018; Bombardier Service Bulletin 100-32-31, Revision 01, dated January 23, 2018; Bombardier Service Bulletin 100-32-31, Revision 02, dated March 14, 2018; Bombardier Service Bulletin 350-32-007, dated January 4, 2018; Bombardier Service Bulletin 350-32-007, Revision 01, dated January 23, 2018; or Bombardier Service Bulletin 350-32-007, Revision 02, dated March 14, 2018; as applicable, as of the effective date of this AD: Within 50 flight hours after the effective date of this AD, torque the fittings on any tube assembly having part number K1000070395-401, in accordance with the "Retroactive Action" instructions of Bombardier Service Bulletin 100-32-31, Revision 03, or Bombardier Service Bulletin 350-32-007, Revision 03, both dated March 27, 2018, as applicable.

(i) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, New York ACO Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the certification office, send it to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516-228-7300; fax 516-794-5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, New York ACO Branch, FAA; or Transport Canada Civil Aviation (TCCA); or Bombardier, Inc.'s TCCA Design Approval Organization (DAO). If approved by the DAO, the approval must include the DAO-authorized signature.

(j) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian AD CF-2018-11, dated April 5, 2018, for related information. This MCAI may be found in the AD docket on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2018-0792.

(2) For more information about this AD, contact Darren Gassetto, Aerospace Engineer, Mechanical Systems and Admin. Services Section, FAA, New York ACO Branch, 1600

Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516-228-7323; fax 516-794-5531; email 9-avs-nyaco-cos@faa.gov.

(3) For service information identified in this AD, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; telephone 514-855-5000; fax 514-855-7401; email thd.crj@aero.bombardier.com; internet <http://www.bombardier.com>. You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195.

Issued in Des Moines, Washington, on August 30, 2018.

Jeffrey E. Duven,

Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018-19841 Filed 9-14-18; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2018-0739; Product Identifier 2015-NE-07-AD]

RIN 2120-AA64

Airworthiness Directives; Pratt & Whitney Canada Corp. Turboshaft Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to supersede airworthiness directive (AD) 2015-20-04, which applies to certain Pratt & Whitney Canada Corp. (P&WC) PT6B-37A turboshaft engines. AD 2015-20-04 requires initial and repetitive inspections until replacement of the No. 10 bearing, and eventual replacement of the No. 9 bearing, both located in the engine reduction gearbox (RGB) assembly. Since we issued AD 2015-20-04, P&WC has determined that the repetitive inspection of the bearings has an associated risk of gearbox damage or contamination and that the bearing installation required by AD 2015-20-04 does not adequately address the issue of bearing axial movement. This proposed AD would require removal from service and replacement of the No. 9 and No. 10 position bearings. We are proposing this AD to address the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by November 1, 2018.

ADDRESSES: You may send comments, using the procedures found in 14 CFR

11.43 and 11.45, by any of the following methods:

- **Federal eRulemaking Portal:** Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.

- **Fax:** 202-493-2251.

- **Mail:** U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

- **Hand Delivery:** Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Pratt & Whitney Canada Corp., 1000 Marie-Victorin, Longueuil, Quebec, Canada, J4G 1A1; phone: 800-268-8000; fax: 450-647-2888; website: <http://www.pwc.ca>. You may view this service information at the FAA, Engine & Propeller Standards Branch, 1200 District Avenue, Burlington, MA 01803. For information on the availability of this material at the FAA, call 781-238-7759.

Examining the AD Docket

You may examine the AD docket on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2018-0739; or in person at the Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the mandatory continuing airworthiness information, regulatory evaluation, any comments received, and other information. The street address for Docket Operations (phone: 800-647-5527) is listed above. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT:

Barbara Caufield, Aerospace Engineer, ECO Branch, FAA, 1200 District Avenue, Burlington, MA 01803; phone: 781-238-7146; fax: 781-238-7199; email: barbara.caufield@faa.gov.

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include “Docket No. FAA-2018-0739; Product Identifier 2015-NE-07-AD” at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this NPRM. We will consider all comments received by the closing date and may amend this NPRM because of those comments.

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

Discussion

We issued AD 2015-20-04, Amendment 39-18282 (80 FR 61717, October 14, 2015), (“AD 2015-20-04”), for certain P&WC PT6B-37A turboshaft engines. AD 2015-20-04 requires initial and repetitive inspections until replacement of the No. 10 bearing, and eventual replacement of the No. 9 bearing, both located in the engine RGB assembly. AD 2015-20-04 resulted from reports of incorrect engine torque for PT6B-37A engines. We issued AD 2015-20-04 to prevent axial movement at the No. 10 bearing position in the engine RGB assembly, which could result in engine overtorque, failure of the engine, in-flight shutdown, and loss of the helicopter.

Actions Since AD 2015-20-04 Was Issued

Since we issued AD 2015-20-04, P&WC has determined that the repetitive inspection of the bearings in P&WC Service Bulletin (SB) PT6B-72-39095, Revision No. 3, dated December 29, 2014, has an associated risk of gearbox damage or contamination. P&WC also determined that the bearing installation in P&WC SB No. PT6B-72-39092, Revision No. 4, dated December 29, 2014, as required by AD 2015-20-04, does not adequately address the issue of bearing axial movement.

Related Service Information Under 14 CFR Part 51

We reviewed P&WC SB No. PT6B-72-39108, dated September 30, 2016. The SB describes procedures for replacing affected bearings. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

Other Related Service Information

We reviewed P&WC SB No. PT6B-72-39092, Revision No. 4, dated December 29, 2014. The service information describes procedures for removing affected bearings.

FAA's Determination

We are proposing this AD because we evaluated all the relevant information and determined the unsafe condition described previously is likely to exist or