On October 19, 2016, SBA issued a correction pertaining to 8(a) joint venture profits. 81 FR 71981. As SBA explained, due to the change made to §121.103(b), which eliminated the ability of a joint venture to be populated with individuals intended to perform contracts awarded to the joint venture, a conforming correction was needed to §124.513(c), which references populated joint ventures. Specifically, §124.513(c)(4) provided that in the case of a populated separate legal entity joint venture, 8(a) Participant(s) must receive profits from the joint venture commensurate with their ownership interests in the joint venture. Because SBA eliminated populated joint ventures, that provision was superfluous and was deleted. SBA’s 8(a) joint venture rule now states that the 8(a) Participant(s) in a joint venture must receive profits from the joint venture commensurate with the work performed by the 8(a) Participant(s). 13 CFR 124.513(c)(4). This change was necessary because under the mentor protégé program, a protégé may perform as little as 40% of the total work performed by the joint venture in aggregate. It would not make sense to require a firm to receive 51% of the profits for doing only 40% of the work.

The same language that SBA corrected in the 8(a) regulations is currently in place for joint ventures under all small mentor protégé, Service-Disabled Veteran-Owned, Women-Owned and HUBZone small business programs. SBA’s intent was for profits to be commensurate with the work performed by each member of the joint venture. These rules currently state that in the case of a separate legal entity, the firm must receive profits commensurate with their ownership interests in the joint venture, which is contrary to SBA’s intent. Consequently, SBA is correcting §§125.8(b)(2)(iv), 125.18(b)(2)(iv), 126.616(c)(4) and 127.506(c)(4) to the make the rules consistent with 124.513(c)(4) and across all programs.

List of Subjects
13 CFR 125
Government contracts, Government procurement, Reporting and recordkeeping requirements, Small businesses, Technical assistance, Veterans.

13 CFR 126
Administrative practice and procedure, Government procurement, Penalties, Reporting and recordkeeping requirements, Small businesses.
DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39


RIN 2120–AA64

Airworthiness Directives; Airbus Helicopters

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for Airbus Helicopters Model AS355NP helicopters. This AD requires removing and installing the fire extinguishing system pipes. This AD is prompted by the discovery that the left-hand and right-hand fire extinguishing discharge systems were incorrectly connected. The actions of this AD are intended to correct the unsafe condition on these products.

DATES: This AD is effective January 31, 2017.

The Director of the Federal Register approved the incorporation by reference of a certain document listed in this AD as of January 31, 2017.

ADDRESSES: For service information identified in this final rule, contact Airbus Helicopters, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at http://www.airbus helicopters.com/techpub.

You may review the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Pkwy., Room 6N–321, Fort Worth, TX 76177. It is also available on the Internet at http://www.regulations.gov by searching for and locating Docket No. FAA–2015–5807.

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–2015–5807; or in person at the Docket Operations Office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the European Aviation Safety Agency (EASA) ADs, any incorporated-by-reference service information, the economic evaluation, any comments received, and other information. The street address for the Docket Operations Office, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: George Schwab, Aviation Safety Engineer, Safety Management Group, Rotorcraft Directorate, FAA, 10101 Hillwood Pkwy, Fort Worth, TX 76177; telephone (817) 222–5110; email george.schwab@faa.gov.

SUPPLEMENTARY INFORMATION: Discussion

On April 12, 2016, at 81 FR 21493, the Federal Register published our notice of proposed rulemaking (NPRM), which was published in 14 CFR part 39 by adding an AD that would apply to Airbus Helicopters Model AS355NP helicopters with an Arrius 1A1 fire extinguishing system installed. The NPRM proposed to require removing and correctly installing the fire extinguishing system pipes in accordance with Airbus Helicopters’ service information and removing any placards on the instrument panel if installed. The proposed requirements were intended to correct the connections and to prevent the fire extinguishing system from discharging to the wrong engine compartment, failure of the fire extinguishing system to control a fire, and subsequent loss of control of the helicopter.

The NPRM was prompted by AD No. 2011–0192–E, dated October 4, 2011, issued by EASA, which is the Technical Agent for the Member States of the European Union, to correct an unsafe condition for Eurocopter (now Airbus Helicopters) Model AS355NP helicopters with an Arrius 1A1 fire extinguishing system installed through production modification (mod) OP–3931.

EASA advises that during an inspection of the engine fire extinguishing system on an AS355NP helicopter, the left-hand (LH) fire extinguisher discharge system was found connected to the right-hand (RH) engine compartment and the RH discharge system was connected to the LH engine compartment. An investigation showed that this erroneous installation was inherent in Eurocopter production modification (mod) OP–3931. According to EASA, this condition, if not detected and corrected, could lead to the discharge of the fire extinguisher in the wrong engine compartment in the event of a fire. Pending the development of a modified extinguishing system, EASA Emergency AD No. 2011–0192–E required installing a placard warning the flight crew of the erroneous installation until the squibs on each fire extinguisher are exchanged.

After EASA issued Emergency AD No. 2011–0192–E, Airbus Helicopters developed a permanent modification of the discharge system to reconfigure the position of the squibs on each fire extinguisher to line up with the control buttons. EASA subsequently issued superseding EASA Emergency AD No. 2015–0181, dated August 31, 2015, to retain the requirements of its previous Emergency AD and require the modification of the engine fire extinguishing discharge system within 12 months.

Comments

After our NPRM (81 FR 21493, April 12, 2016) was published, we received two comments from Airbus Helicopters.

Request

Airbus Helicopters requested that the proposed AD have mod 073990 as a terminating action and exempt Model AS355NP aircraft that are “Post mod 073990” from the AD’s requirements. We agree with the comment but disagree that a change to the AD is necessary. The AD requires compliance with the service information that Airbus Helicopters has identified as mod 073990. A Model AS355NP helicopter in a “Post mod 073990” configuration has complied with the service information, and therefore has also previously complied with the required