After accepting some of the cost comments and making adjustments for changes in performance and certain equipment requirements, the commuter rule is estimated to cost $118 million (as opposed to $275 million in the NPRM). Based on this estimate, the average annual per ticket price increase for each of the two airplane-seat categories, over the next 15 years, will be far less than the original estimates.

VIII. Regulatory Evaluation Summary

Changes to Federal regulations must undergo several economic analyses. First, Executive Order 12866 directs that each Federal agency shall propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. Second, the Regulatory Flexibility Act of 1980 requires agencies to analyze the economic effect of regulatory changes on small entities. Third, the Office of Management and Budget directs agencies to assess the effect of regulatory changes on international trade. In conducting these analyses, the FAA has determined that this Final Rule will generate benefits that justify its costs and is ''a significant regulatory action'' as defined in the Executive Order. The FAA estimates, however, that the final rule will not have a significant economic impact on a substantial number of small entities. No part of the final rule will constitute a barrier to international trade. These analyses, available in the docket, are summarized below.

A. Sections Without Cost Impacts

Those part 121 sections that the FAA has determined will not impose additional costs on part 135 commuter operators are not described in this summary evaluation. Each of those part 121 sections will not impose costs for one of the following reasons: (1) Current practice is identical or very similar to the new requirement; (2) the new requirement represents minor procedural changes; (3) the section determines general applicability and does not specifically impose any costs; or (4) certain requirements of part 135 would be incorporated into part 121 without change. Those part 121 sections without costs are described in the full evaluation under each of the areas for which they apply. While not shown in this summary evaluation, it is important to note that 10 of the sections in the final rule were identified as having negligible costs. These negligible costs, even when combined, will not be significant.

B. Sections With Cost Impact

The rule will impose costs on part 135 operators with 10-to-30-seat airplanes. The FAA estimates the total cost of the rule will be $117.80 million over the next 15 years in 1994 dollars, with a present value of $75.19 million (7 percent discount rate). The total potential costs for 10-to-19- and 20-to-30-seat airplanes are presented in the following areas:

	10–19 seats	20–30 seats	Total cost	Present value
Operations	$48.32	$24.87	$73.19	$46.18
Maintenance	12.93	5.26	18.19	11.93
Cabin Safety	5.99	5.58	11.57	8.20
Part 119	2.73	0.63	3.36	2.30
Certification	10.39	1.10	11.49	6.58
Total	$80.36	$37.44	$117.80	$75.19

Based on the $80.36 million figure shown above, the FAA estimates that, on average over the next 15 years, the price of a one-way airline ticket will increase by $0.62 for affected operators with 10-to-19-seat airplanes. Similarly, based on the $37.44 million figure, the ticket price will increase by $0.30 for affected operators with 20-to-30-seat airplanes.

It is important to note that the total cost per airplane in each of the first four years of the rule sheds light on the initial compliance costs. These costs per airplane are as follows:

	10-to-19-seat airplanes	20-to-30-seat airplanes
1996	$19,400	$21,900
1997	7,600	6,600
1998	7,000	6,300
1999	7,200	5,900

1. Operations

This section of the regulatory evaluation examines the costs of the changes with regard to operations. Fifteen-year costs for operations requirements will total $73.19 million ($46.18 million, present value). The cost items, by section, are provided below.

Section 121.97: Airports Required Data. Each domestic and flag air carrier must show that each route it submits for approval has enough airports that are properly equipped and adequate for the proposed operation. Consideration is given items as size, surface, obstructions, etc. In short, this requirement will ensure that in the event of a single-engine failure each operator's airplane type (regardless of the number of airplanes) can either stop at the end of the runway or, if it continues to fly, can safely clear all of the obstacles in the flight path.

To estimate the potential cost of this requirement, the FAA contacted several commuter operators. According to these operators, the potential cost of compliance is based on performance-obstacle-data analyses for airplane types at particular airports. To ensure that the performance objective will be met, operators are required to make certain that the maximum-allowable-takeoff weight is always achieved under certain temperature conditions. This is done by conducting performance analyses for each airplane type at the airport it intends to operate. To achieve this objective, operators typically hire a contractor to perform obstacle-location and height surveys. The contractor uses the airplane's flight-manual-performance data to assess flap settings and runway-end capability for a particular airport for information related to takeoff-run-acceleration distance, runway length, anti-skid, etc.

The typical contractor fee is $20 per runway. For example, ABC airlines is a commuter operator with 5 types of airplanes that it wishes to operate at airports in 10 cities. Each city has an airport with 10 runways. The operator, however, only intends to use two runways per airport in each of the 10 cities. The cost performing the needed obstacle performance data analyses is $2,000 ($20 per runway ×10 airports ×2 runways per airport ×5 airplane types). While this is a simple example of estimating a fictitious operator's potential cost of compliance, it sheds light on the difficulty of deriving such