

December 8, 2015

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Reggie Govan Chief Counsel Federal Aviation Administration 800 Independence Avenue, S.W. Room 900E Washington, D.C. 20553-0002

Memorandum dated October 29, 2015 (M340-8000.1-F-1510-0314) Re:

Dear Mr. Govan:

The Aeronautical Repair Station Association (ARSA) respectfully requests resolution of the legal consequences created by the guidance offered in the above referenced document

The agency's position is that a repair station with an *airframe¹* rating limited to components must have a hangar to enclose the largest *aircraft*² listed on its Operations Specifications. That guidance is untenable for legal and practical reasons.

The FAA is authorized to promulgate regulations in the interest of safety. Absolutely no safety purpose is achieved by requiring component level work be performed in housing suitable for aircraft maintenance, simply because the certificate must be issued for an airframe rating. That conclusion is simply outrageous and unsupportable.

For years, the agency has recognized the difference between component level airframe maintenance and work performed on an aircraft. It has issued literally thousands of repair station certificates that limit work to airframe components without requiring the applicant or the certificate holder to have a hangar.

¹ Section 1.1—general definitions clearly distinguishes between airframe and aircraft. Airframe means the fuselage, booms, nacelles, cowlings, fairings, airfoil surfaces (including rotors but excluding propellers and rotating airfoils of engines), and landing gear of an aircraft and their accessories and controls. ² *Id. Aircraft* means a device that is used or intended to be used for flight in the air.

Reggie Govan December 8, 2015 Page 2

Re: Memorandum dated October 29, 2015 (M340-8000.1-F-1510-0314)

Certainly the Chief Counsel's office cannot be contemplating certificate action against current holders of airframe component ratings that do not have hangars, which is the only method by which the agency could reconcile the memorandum with reality.³ The agency would be similarly hard-pressed to require applicants for limited airframe component ratings to have a hangar. The agency's legal parameters, past actions and current practices would make that requirement plainly arbitrary and capricious.

If agency representatives require a meeting to facilitate its clarification of the housing requirements for *airframe* <u>component</u> maintenance vis-à-vis *aircraft* maintenance, we request that happen as soon as possible. Otherwise, we look forward to the agency taking that immediate action without further ado.

Your Servant,

Sarah MacLeod Executive Director M: 703.785.6605

- Attachments Memorandum dated October 29, 2015 (M340-8000.1-F-1510-0314) Memorandum dated August 13, 2015 Order 8900 excerpt Legal interpretation to Finazzo—section 145.103(b)—March 4, 2015
- cc: Judy S. McGhee Mark W. Bury Lorelei A. Peter Edmund Averman John Duncan Timothy W. Shaver Patricia K. Williams Anthony Janco

judy.mcghee@faa.gov mark.bury@faa.gov lorelei.peter@faa.gov ed.averman@faa.gov john.s.duncan@faa.gov tim.shaver@faa.gov patricia.k.williams@faa.gov anthony.janco@faa.gov

³ If the agency is contemplating certificate action, it may wish to review <u>U.S. v. Garlick Enterprises, 662</u> <u>F.Supp. 896 (D.Mont. 1987)</u> where the court refused to punish the certificate holder when the agency was fully aware of and helped create the alleged wrongdoing, i.e., issued an "improper" rating.



Federal Aviation Administration

Memorandum

Date:	October 29, 2015
To:	Nicholas Reyes, Manager, Flight Standards Southwest Regional Office, ASW-200 ATTN: Justin Bouchard, Manager, General Aviation Tech Support Branch, ASW-230
	ASW-230 ATTN: Aaron L. Robinson, Manager, Lubbock FSDO, SW-13
From:	Timothy W. Shaver, Acting Manager, Aircraft Maintenance Division, AFS-300
Subject:	Repair Station Ratings and FAA Order 8900.1 Guidance; ASW-200 Memo of 08/13/15

M340-8000.1-F-1510-0314

In reference to the Subject memo, the Aircraft Maintenance Division, Repair Station Branch, has reviewed your request for information (and/or comments) and provides the following response:

QUESTION 1: What rating should we give a repair station that repairs component parts of an airframe, but does not have a facility to enclose the aircraft?

RESPONSE: In accordance with Title 14 Code of Federal Regulations (14 CFR) section 145.61(a), a limited rating may be issued to a repair station that maintains or alters only a particular type of airframe, powerplant, propeller, radio, instrument, accessory, or part thereof. If the repair station has the capability to work on flight controls, composite panels, and interior components (as referenced in your memo), those parts are considered airframe parts and the repair station would need a limited airframe rating to maintain or alter them.

In order for a repair station to be certificated with an airframe rating, the repair station must meet all the applicable certification requirements found in 14 CFR Part 145. For the purpose of your Question 1, the repair station must meet all the housing requirements in section 145.103.

ISSUE 1: You commented that the regulation (section 145.61(a)) indicates limited ratings can be issued for airframe parts, but does not define "parts" as a limited rating.

RESPONSE: Section 145.61(a) identifies the limited ratings as the overarching ratings. The parts thereof are specific to the rating, which could be parts of/or airframes, engines, propellers, instruments, radio, accessories, *etc.* This section does not have a rating for "Parts."

ISSUE 2: You also mentioned that it appears there is a conflict between section 145.103(b) and FAA Order 8900.1, Volume 2, Chapter 11, Section 1, paragraph 2-1188. The Order requires an airframe rating for maintenance of components such as flight controls, composite panels, and interior components. You also stated that many repair stations perform maintenance on components under a limited airframe rating, but their facilities cannot enclose the aircraft identified on their operations specifications.

RESPONSE: Section 145.101 states that a certificated repair station must provide housing, facilities, equipment, materials, and data that meet the applicable requirements for the issuance of the certificate and ratings the repair station holds. There are many repair station certification requirements that must be met prior to issuance of the air agency certificate, including those in section 145.103, *Housing and facilities requirements*. If a repair station that holds a limited airframe rating, and does not meet all of the requirements identified in section 145.103, we recommend that the governing FAA Flight Standards District Office (FSDO) and the repair station together review and perhaps revise the repair station's capabilities and/or ratings.

The FAA has an Automated Exemption System (AES) process that could be an avenue for the repair station to pursue as well.

We appreciate the opportunity to assist you. If you have any additional questions regarding this memorandum, please contact the Aircraft Maintenance Division, AFS-300, at (202) 267-1675, for additional information.



Federal Aviation Administration

Memorandum

Date: AUG 1 3 2015

To: Timothy W. Shaver, Acting Manager, Aircraft Maint. Div., AFS-300 Justin Bouchard, Manager, General Aviation Tech Support Branch, ASW-230 Thru: Mah From:

Aaron L. Robinson, Manager, Lubbock FSDO, SW-13

Subject: Repair Station Ratings and FAA Order 8900.1 Guidance

We are requesting clarification on what appears to be a conflict between 14 CFR §145.103(b) and guidance contained in FAA Order 8900.1 Section 2, Chapter 11, Section 1 (Attachment 1).

A certificate we manage recently requested a legal interpretation of §145.103(b) (Attachment 2). The interpretation says airframe rated repair stations are required to have a facility that will enclose the largest model aircraft listed on its operations specifications. We agree with the interpretation. However, it does create what appears to be a conflict with 8900.1 guidance. Specifically paragraph 2-1188, which requires an airframe rating for the maintenance of components such as flight controls, composite panels, and interior components. Many repair stations across the country perform maintenance on these types of components under a limited airframe rating, but their facilities cannot enclose the aircraft identified on their operations specifications.

The regulation indicates limited ratings can be issued for airframe parts (\$145.61(a)), but does not define "Parts" as a limited rating.

Our questions is:

What rating should we give a repair station that repairs component parts of an airframe, but does not have a facility to enclose the aircraft? Our concern is, if we issue limited airframe then §145.103(b) requires them to have a hangar that will enclose the largest model aircraft listed on their operations specifications.

Please contact Inspector Steve Miller at (806) 740-3815 if you need additional information

Attachments (2)

5) That the request to the CHDO includes the aircraft (make/model/series (M/M/S)), the project to accomplish, the duration of the maintenance, the location of the maintenance, and a statement that the temporary facilities are suitable.

6) That the repair station can perform the work requested. The PI will send the repair station a letter stating the procedure meets the requirements of § 145.203(a). The CHDO will keep a copy of the letter in the repair station file.

D. Recurring Maintenance Away From Main Base Station. If the repair station is performing maintenance away from the main base station on a recurring basis (part of everyday business rather than under special circumstances) there must be a procedure in the manual on how the repair station controls the work away from station. This type of work could include fuel cell repair, Nondestructive Testing (NDT), etc. where most, if not all, of the work is completed away from the base station. (OpSpec D100 is required.)

2-1188 AIRFRAME RATINGS AND CLASSIFICATIONS UNDER § 145.59.

NOTE: Any product that is non-TC'd or used on a non-TC'd aircraft, such as certain military aircraft, need not receive ratings. Section 145.57(a) requires a repair station to perform maintenance in accordance with part 43. Section 43.1(a) states, in part, that "This part prescribes rules governing the maintenance, preventive maintenance, rebuilding, and alterations of any aircraft having a U.S. airworthiness certificate."

NOTE: Section 145.59 defines ratings. Adding or removing an aircraft, engine, or component to a rating is an amendment to the rating, not an added rating. The addition or removal of an aircraft, engine, or component is a change to the limitations under the rating.

A. Airframe Maintenance or Alteration.

1) Repair stations require an appropriate airframe rating when performing maintenance or alterations on articles (see Table 2-19, Airframe Ratings and Classifications Under § 145.59) such as:

- Seats,
- Seat belts,
- Berths,
- Galleys,
- Lavatories,
- Cabinetry,
- Cabin/cockpit interior foam and fabric upholstered parts,
- Dividers,
- Curtains,
- Windows, and
- Any other interior structure.

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Office of the Chief Counsel 800 Independence Ave., SW. Washington, DC 20591

MAR -4 2015

Mr. Nicolas Finazzo Chief Executive Officer AerSale 121 Alhambra Plaza Suite 1700 Coral Gables, FL 33134

> Re: Request for Interpretation on Whether 14 C.F.R. § 145.103(b) Requires a Repair Station with a Limited Airframe Rating to Have Housing Large Enough to Enclose the Largest Aircraft Listed on its Operations Specifications

Dear Mr. Finazzo:

This letter responds to your October 9, 2014 request for a legal opinion on the applicability of the housing requirement in 14 C.F.R. § 145.103(b) to an FAA-certificated repair station holding a limited airframe rating. You state that your company, AerSale, holds an FAA-issued air agency certificate, which authorizes it to operate as a repair station with, among other things, a limited airframe rating. AerSale's limited airframe rating includes, by reference to its FAA-accepted Capability List, Boeing Model 747 aircraft listed on the company's Operations Specifications. You asked for an advisory opinion on the question: "Must a FAR Part 145 Repair Station holding a Limited Airframe Rating have a hangar to house the largest aircraft on its Operations Specifications if the maintenance it is authorized to do under its Capability List on its largest aircraft do not require such work be performed inside a hangar?" The answer is yes. Because a limited airframe rating is an airframe rating, AerSale must have a hangar to enclose a Boeing Model 747 because that is the largest aircraft listed on AerSale's operations specifications.

Section 145.103(b) provides:

A certificated repair station with an airframe rating must provide suitable permanent housing to enclose the largest type and model of aircraft listed on its operations specifications.

To the extent that AerSale suggests that § 145.103(b) applies only to a repair station holding a *class* airframe rating issued under § 145.59(a), thereby excluding a repair station with a *limited* airframe rating issued under § 145.61 from the reach of the regulation, the FAA does not agree.

Nothing in the regulatory history or the plain language of the regulation supports a conclusion that the airframe rating of § 145.103(b) applies only to class airframe ratings and excludes limited airframe ratings.

In support of your position that a repair station holding a limited airframe rating is not required to provide a hangar large enough to enclose the largest aircraft on its operations specifications (in AerSale's case a Boeing Model 747), you referenced a statement in the agency's denial of an exemption request that addressed this issue: *In the matter of the petition of Short Brothers PLC [Shorts], Docket No. FAA-2009-0084.* The FAA's denial of the requested exemption found that what Shorts sought to do did not require relief from § 145.103(b), but instead could be permitted under a different regulation that was more directly on point—§ 145.203, which permits a repair station to perform maintenance at a place other than its fixed location if the repair station meets the criteria of that section. Accordingly, under the facts presented, Shorts did not need an exemption from the housing requirement or any other regulation. While the Shorts denial appeared to distinguish between repair stations that hold only a *limited* airframe rating and those that hold a *class* airframe rating for purposes of a § 145.103(b) analysis, this discussion distinguishing between a *limited* airframe rating and a *class* airframe rating was *dicta*—not necessary for the agency's decision—and it reflected an incorrect interpretation of the agency's regulation.

This response was prepared by Edmund Averman and Benjamin Borelli, attorneys in the Regulations Division in the Office of the Chief Counsel, and coordinated with the Aircraft Maintenance Division (AFS-300) in the Flight Standards Service. If you have additional questions regarding this matter, please contact us at your convenience at (202) 267-3073.

Sincerely,

Mark W. Bury

Assistant Chief Counsel for Regulations, AGC-200