



# News from the Hill

BY JASON DICKSTEIN  
AEA GENERAL COUNSEL

## Spring Cleaning for Your Ratings, Operations Specifications, Capabilities Lists

**R**ic Peri, vice president of government & industry affairs for AEA, recently completed a series of visits with AEA members, and he had astounding news to report. A substantial percentage of members were out of compliance with FAA repair station rules, and they didn't even know it.

In our industry, we rely on a certain level of precision, especially when it comes to regulatory compliance, because a failure to comply with the regulations can mean losing your certificate. So, when we see something as widespread and as simple to correct as this, it is clearly time for the entire community to take action.

### The Problem

The problem we have been encountering is repair stations performing work not permitted by the repair station's ratings, operations specifications and capabilities list. And, many times, the repair stations do not even realize they are not in compliance.

Section 145.5 of the repair station regulations explains, "No person may operate as a certificated repair station without, or in violation of, a repair station certificate, ratings or operations specifications issued under this part."

Section 145.201(b) is even more explicit: "A certificated repair station may not maintain or alter any article for which it is not rated."

Companies operating outside the scope of their privileges can face fines or even revocation of their certificates. That means the FAA can revoke your repair station certificate because you made a mistake about the scope of your ratings. Confirming you are operating within that scope can be critically important.

adequate ratings, operations specifications and capabilities lists to do the work you do.

### Ratings

Start with your ratings and make certain they generally describe the entire scope of the work you perform. If you are doing installations, you

*Companies operating outside the scope of their privileges can face fines or even revocation of their certificates.*

Prior to the Fourth of July, we are asking every AEA member repair station to:

- Check your ratings, operations specifications and capabilities list to make certain they are drafted appropriately.
- Spot check your work scopes and make certain you are operating under those ratings, operations specifications and capabilities lists.
- Make certain your safety management system — the way you operate your business — has a step to confirm every new project fits within your ratings, operations specifications and capabilities list.

First, check to make sure your structure-of-privileges is written appropriately. This means you should look at each element making up the ratings to be certain you have ade-

may need airframe ratings as well as radio or instrument ratings. If you are doing bench work, make certain each item you test, inspect, maintain or alter fits within the scope of your existing ratings.

Has the nature of the unit changed over time? If the older models were gyroscopic but the newer models are electronic in nature, the fact they achieve the same result for the pilot does not alter the fact that yesterday's models were Class 3 instruments but today's models are Class 4 instruments. If you have been treating them as Class 3 instruments all along and never bothered to amend your certificate to include Class 4 instrument privileges, then the work you have done in recent years could have been performed outside the scope of your ratings.

## Operations Specifications

Once you have verified your ratings are appropriate, the next step is to review the operations specifications associated with the ratings. Some limited ratings require operations specifications to be associated with them.

For example, if you are performing limited specialized services for your customers, these should be reflected by operations specifications calling out the process document associated with each permitted limited specialized service. The specification may be either a civil or military specification currently used by industry and approved by the FAA, or it may be a specification developed by the applicant and approved by the FAA.

Many repair stations use these provisions to obtain FAA approval of process specifications, which provide them with an acceptable way of performing a task (often supported by FAA-approved data).

Make certain each operations specification used to define the privilege of performing work is worded correctly to encompass the scope of work you actually perform. For example, if you have a process specification demanding you use an outdated specification but you currently are using the more up-to-date specification, this is the sort of process specification that needs to be updated to reflect your current business practices.

Some operations specifications call out equipment by make and model (the way a modern capabilities list is supposed to do). If your operations specifications are written this way, you ought to seek to move this list to a capabilities list and out of the operations specifications.

You also should make certain the list adequately reflects the real scope of your work. If the operations specifications list states you can work on the -100 model and the -101 model but

you have been working on the -102 and -103 models, then you have a conflict between the work you do and the scope of your operations specifications.

Look at the operations specifications describing the nature of the work you do as well. Some repair stations perform work off-site, but when they look at their operations specifications, they find they do not actually have an op spec permitting off-site work.

If your ratings and/or operations specifications do not adequately meet your needs, you immediately should begin the process of applying for a change to your ratings and/or operations specifications to reflect the additional ratings and/or operations specifications you need to do business.

## Capabilities Lists

Finally, look at the capabilities list and make certain everything on the list fits within the scope of your ratings and operations specifications. First, make certain you even have a capabilities list — you may be required to have one if you have one or more limited ratings.

The capabilities list should identify each article on which your company performs work — they should be identified by make and model, or whatever other nomenclature the article's manufacturer has designated. It is not good enough to say something nebulous, such as "all TCAS units," in the capabilities list. It is usually considered sufficient to identify "all models" within a series if that sort of nomenclature is acceptable to your FAA inspector.

If you need to add new items to your capabilities list, you should follow the written mechanism you already have prepared. That mechanism should allow you to confirm:

- the article is within the scope of your ratings and operations specifications;
- you have sufficient housing to per-

form the work;

- you have sufficient facilities to perform the work;
- you have sufficient tooling, equipment and material to perform the work;
- you have the appropriate technical data to perform the work;
- you have sufficient processes in place to perform the work and can ensure it will be performed correctly; and
- you have sufficiently trained personnel to perform the work.

You need to generate a document (often a checklist) confirming you have evaluated all of these factors, and you need to keep a copy of the document on file at your repair station.

When you add an additional article to your capabilities list, you need to provide your local FAA office with a copy of the revised list in accordance with the procedures published in your repair station manual.

## Self-Review in Your System

Finally, you should make certain your safety management system — the way you operate your business — has a step in which you or someone on your staff performs an actual confirmation that the work intended to be performed for each new job fits within the scope of your repair station's ratings.

A convenient point to add such a step is as an element of the receiving inspection procedure. This way, as soon as an item comes in the door for service, you immediately check to make sure it fits within your capabilities. If it does not, you can make an early decision about whether to refuse the work, contract-out the work, or obtain a change to your ratings, operations specifications or capabilities list.

Next month, we'll discuss what to do with the work you discover falls outside your ratings, operations speci-

*Continued on following page*

## **NEWS FROM THE HILL**

*Continued from page 57*

fications and capabilities list. You can have the work completed by qualified parties on a contract basis, but you will need to pay attention to the complicated regulatory structure for contract work. □