

**Initial comments in response to 65 Federal Register 58877 (October 2, 2000)
Submitted by e-mail to: 9-nprm-cmts@faa.gov
and in duplicate by United States First Class Mail**

Safe Disposition of Life-Limited Aircraft Parts
Initial Comments on the Notice of Proposed Rulemaking

Submitted by the
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Docket Management System
U.S. Department of Transportation
Room Plaza Level 401
400 Seventh Street, SW
Washington, DC 20590-0001

Docket Number FAA-2000-8017

Dear Sir or Madam:

Founded in 1993, the Airline Suppliers Association represents the aviation parts distribution industry, and has become known as an organization that fights for safety in the aviation marketplace. Through good commercial practices, aircraft parts distributors support the regulatory needs of the parts installers and thereby play an important role in aviation safety.

The Airline Suppliers Association is a proponent of industry quality systems that help assure that aircraft parts sold to operators, repair stations and mechanics are airworthy and safe. The Association is one of the FAA's partners in the Voluntary Industry Distributor Accreditation Program.

As a proponent of quality, ASA supports any efforts to improve the safety and quality of aircraft parts and maintenance; in particular, ASA promotes efforts to improve the safety-related documentation provided to businesses that perform

maintenance and alteration. The Association therefore supports the concepts that underlie this rulemaking activity, although the Association feels that the procedural regulatory compliance and substantive effect of this rulemaking activity could be improved.

Please accept these initial comments in response to the Federal Register Notice of Proposed Rulemaking published at 65 Federal Register 58877 (October 2, 2000) (Safe Disposition of Life-Limited Aircraft Parts).

The Notice of Proposed Rulemaking provides two deadlines for comments. The earlier deadline of December 1, 2000 is established for comments on the information collection requirements associated with this rule. This response is limited only to comments on the information collection requirements. A later response shall address comments on the other requirements of the regulation.

In addressing this issue, it is important to note that removal of a life-limited part is not a maintenance activity. Although removal of a part may take place nearly concurrently with the subsequent replacement or installation of a part (providing the illusion that the removal is a maintenance activity), removal can also take place without an immediately connected subsequent replacement activity. One example of this occurs when an aircraft is disassembled, or "parted-out," and the parts stored for later use on other aircraft. Because removal of a life-limited part is not a maintenance activity, it may be performed by non-maintenance personnel.

In recognition of this issue, the statute concerning life-limited parts was drafted broadly to apply to non-regulated persons who might remove life-limited parts from an aircraft.

The FAA missed this broad application of the statute in drafting the information collection requirements analysis. In particular, the FAA has ignored a wide variety of persons in the industry who remove life-limited parts.

This comment analyzes several FAA statements that are inaccurate, and attempts to provide some guidance concerning the proper approach to achieve an accurate result.

FAA Statement

Respondents (including number of): The likely respondents to this proposed information requirement are persons responsible for removing and disposing of life-limited parts. Of about 5,000 FAA certificated repair stations, the FAA believes about 1,500 would perform most of these procedures. Although some of these procedures may be carried out on behalf of air carriers and owner/operators in general aviation, the FAA believes that most of the procedures will be performed by a certificated repair station.

Response

The FAA has failed to reflect a wide variety of other parties who may remove life-limited parts. Many non-repair stations remove life-limited parts.

1. Unregulated Persons

There is presently no regulation limiting the removal of parts from aircraft. Therefore, any person may remove a part from an aircraft. In fact, a broad spectrum of persons regularly removes parts from aircraft. Every person who removes a life-limited part from an aircraft is subject to the new law.

The new law requires that persons who remove life-limited parts from aircraft disposition them in an appropriate manner. Disposition can include marking, tagging, segregation or destruction of the part. There is an active market for life-limited parts that are removed and dispositioned (if there wasn't then there would have been no need for the rule).

As a practical matter, aviation industry documentation requirements (and recommendations) are regularly reflected in quality systems throughout the industry. This partly due to the fact that FAA employees strongly encourage certificated persons in the industry to do business with entities that meet requirements that are analogous to the regulations (even when the regulations do not directly apply). Failure of an uncertificated person to meet these high standards often can serve to preclude the person from participation in the industry.

Even though there is no regulation requiring that parts transaction be represented through documentation, the FAA has promoted the notion that documentation is vital to parts transactions. In fact, undocumented and poorly documented aircraft parts transactions are regularly reported to the FAA and investigated under the Suspected Unapproved Parts Program. It would therefore be naïve to ignore the fact that documentation requirements imposed on removers will be incorporated into the aviation parts system at every level.

In practice, subsequent purchasers will need to review prior disposition documentation to assure that they are not receiving parts that were removed in a manner that violated the law – if they do not then they risk being shunned by the rest of the industry for failure to meet the industry's safety requirements as presented by the FAA. Therefore, the information collection analysis must reasonably address the impact on subsequent purchasers of life-limited parts, who must have quality systems that assure that completion of the parts removal disposition requirements can be adequately demonstrated to the eventual installer.

2. Specific Persons Removing Life-Limited Parts

Air carriers are both removers of life-limited parts, and subsequent purchasers. They will need to reflect the disposition of life-limited parts in procedures for mechanics performing teardowns, receiving inspectors, procurement specialists, surplus sales personnel, and quality assurance auditors.

Part 135 air operators may also fit within both categories: removers and subsequent purchasers. They will also need to reflect the new requirements in a variety of departments.

According to FAA Advisory Circular 00-56, there are 2500 aircraft part distributors. Distributors buy and sell surplus parts including life-limited parts. Some distributors tear-down their own aircraft. They may use FAA-certificated mechanics to perform aircraft tear-down activities, or they may use non-certificated persons to tear-down aircraft. In either event, such persons fall within the scope of the new law and therefore are subject to the disposition requirements of that new law.

There is also a large general aviation community that removes life-limited parts from aircraft. According to the Aircraft Owners and Pilots Association, there are about 720,000 pilots in the United States. Owners/operators of aircraft are permitted to remove parts, and they are permitted to remove parts to bring them to repair stations (the repaired parts would be reinstalled by a person authorized to perform the installation under 14 C.F.R. § 43.3). These owners and operators are all subject to the new law concerning life-limited parts.

Also, there are about 150,000 FAA-certificated mechanics in the United States. Many of these individuals work on general aviation aircraft in their own facilities that are not repair stations. Individual mechanics perform repair and even overhaul on life-limited parts, and on articles that include life-limited parts (for example, individual mechanics may perform overhauls on engines or landing gear – the disassembly procedure would require the removal of the life-limited parts). These mechanics are all subject to the new law concerning life-limited parts.

3. Recommendation

The number of potentially affected parties should be adjusted to approximately 900,000 persons.

FAA Statement

Frequency: The FAA estimates each of the 1,500 certified repair stations would perform 300 such procedures as an annual average. Each of the remaining

3,500 would average 50 procedures annually. Thus, the annual frequency of information requirements is 625,000 procedures.

Response

The time estimate is flawed for a variety of reasons.

First, the number of facilities associated with the recordkeeping requirements is inaccurate. For a complete analysis of this issue, please see the “*Respondents*” discussion, *supra*.

Second, the estimated number of procedures is inaccurate. Engine facilities, *inter alia*, handle life-limited parts on a regular basis. There are at least 39 separately-tracked life-limited parts on the Pratt & Whitney 4056 Engine, which is used on the Boeing 747-400. Thus, an overhaul of a single set of engines from a 747-400 would represent no less than 156 removals of separately-tracked life-limited parts.

Some airworthiness directives issued against engines require the partial disassembly of engines and removal of life-limited parts in order to inspect or replace such parts. Each of these activities would represent removal of a life-limited part from a type-certificated product.

Even non-engine shops can handle plenty of life-limited parts. The 747 nose gear alone has 28 life-limited parts (Each Airbus A300 gear is supposed to have about 230 life-limited parts!). Overhaul of such gear may entail removal of the gear by the airframe repair station or by the air carrier (who would have to create appropriate documentation/markings for the life-limited parts based on the log book).

The removed gear may then be sent to a repair station that specializes in landing gear overhaul. The repair station would then completely disassemble the landing gear. Although the repair station is removing parts from a component, and not from a type certificated product, the compliance history of the industry makes it clear that repair stations will be held to the same documentation standard as a matter of practice. This means that the repair station will create a tear-down sheet with the information on each of the life-limited parts that would have been required of the air carrier, had the parts been removed directly from the aircraft. The repair station will likely rely on the air carrier’s own documentation in order to determine the life status of each part.

While it is arguable whether a component repair station in this position would be required to create the records called for in the law (and proposed regulation), history shows that industry practices will impose the higher record-keeping standard on repair stations and other parties handling life-limited parts. If the FAA does not intend for this to happen, then the FAA should make that intent

clear, because otherwise FAA employees *will* enforce the rules in this way (once again, this is based on past FAA informal enforcement practices).

In addition to the estimated total number of procedures being wildly inaccurate, the time associated with the procedures is also a flawed estimate. This is because the quality systems associated with disposition procedures will undoubtedly be more comprehensive than the FAA estimates reflect.

In all facilities that implement disposition practices, there will be a variety of additional time-consuming elements associated with the recordkeeping regimen. A few examples include:

- Companies will need to develop receiving inspection criteria and training so that receiving inspectors will recognize life-limited parts, and determine whether they were appropriately dispositioned before they are accepted into that facility's system.
- Companies will need to develop quality systems to ensure that appropriate dispositioning is occurring in all cases, and will need to develop training courses to teach appropriate dispositioning techniques. Training must also focus on identification of life-limited parts, as the manufacturer's manuals usually don't identify, in the disassembly instructions, which parts are life-limited. This must include recurrent training to assure that employees remain current.

Implementation of the dispositioning quality system will typically require employees to perform more than one function. Employees will have to identify each life-limited part upon removal, complete documentation concerning current life status (this is a common element of a quality system regardless of final disposition), and then disposition the part appropriately. There may be requirements for supervisor oversight and even supervisor approval in many systems.

Recommendation

Although the Airline Suppliers Association is unable to offer an accurate estimate of the number of transactions that would be affected by this new rule, it is clear that the 625,000 number is low by orders of magnitude. The FAA may wish to calculate a more accurate number by estimating the total population of life-limited parts, and calculating average time between removals for such parts. This average time should be calculated with the knowledge that such parts may be removed many times during their life spans due to top-assembly overhauls, airworthiness directives or other inspection requirements, or other maintenance-related requirements.

FAA Statement

Annual Burden Estimate: This proposal would result in an annual recordkeeping and reporting burden as follows:

- (1) there would be 625,000 removal and disposal procedures annually;*
- (2) the recordkeeping and recording part of each procedure would take 5 minutes; and*
- (3) the average fully burdened labor cost of the individuals performing the procedures is about \$50 per hour.*

Thus, the total annual estimated burden of Public Law 106-181, which directs this rulemaking, would be about \$2,600,000, borne by a total of 5,000 respondents.

Response

The estimate of five minutes per transaction seems extremely low, in light of the infrastructure necessary to support the disposition required under the new law.

Typical implementation of the dispositioning quality system will require employees to identify each life-limited part upon removal, complete documentation concerning current life status (regardless of final disposition), and then disposition the part appropriately. The new law requires disposition calculated to prevent inappropriate installation of life-limited parts. In many cases, disposition is going to require more than five minutes per transaction.

Even the most simple disposition methods will take more than five minutes. Probably the least time-consuming and resource-consuming form of disposition would be completion of a tag.

While it may take only five minutes to complete a tag for a part, there are many other aspects of the tagging process that require resources. Someone must generate the blank tags. There is overhead associated with their storage. With the wide range of forms now used in the industry, the life-limited parts tag will likely be stored somewhere with the other commonly-used forms. This means that the user must obtain these forms. A company will need to control the forms that are generated and used in order to make sure that blank forms cannot be stolen or misused. This will require security and quality elements that also consume resources. Finally, completion of the tag will undoubtedly require a variety of research activities. In order to properly complete the tag, the dispositioner may need to compare the part to the illustrated parts catalog as well as the airworthiness limitations section of the instructions for continued airworthiness. The dispositioner may need to research the product log book or other records to determine current life status. Because the dispositioner is only allowed to tag the part if it is impractical to mark the part, there must be an

affirmative finding that marking is impractical, which will probably require a review of the maintenance literature associated with the part.

In the case of the more time-consuming options, like marking the part to indicate used life status, the part-remover will need to maintain mechanisms designed to permit permanent marking of a variety of parts. This will require an investment in part-marking machines (for example, a vibra-peen or an ablative laser). Such machinery will have to be serviced and possibly calibrated. In addition to the time and resources spent on making marking a viable option, each use of such equipment to mark parts will undoubtedly take more than five minutes.

Also, as previously mentioned, the estimate of 625,000 annual dispositions seems extremely low relative to the volume of handling that actually occurs in the industry.

Recommendation

The Airline Suppliers Association strongly recommend that the FAA reconsider the figures that it is using, perform an analysis of the industry, and develop figures that are not so obviously incorrect. In particular, it would be safer to estimate that the average dispositioning procedure will take an hour.

FAA Statement:

Because this proposed rule imposes no economic effects, the FAA certifies that it would not have a significant impact on a substantial number of small entities.

Response

On the face of this proposal, this statement is clearly inaccurate. The average repair station (and in fact the vast majority of repair stations) has fewer than 200 employees and is therefore a small entity. The FAA estimates that this proposed rule would affect 5,000 FAA certificated repair stations. The FAA-estimated costs would affect 1,500 repair stations at \$1,250 and 3,500 other repair stations at \$200 annually. These figures exceed the regulatory flexibility analysis threshold established in FAA Order 2100.14A: for aircraft radio equipment repair stations that threshold was set at \$1200; the Order requires the FAA to establish a standard using appropriate judgment.

Although this is not stated in the regulatory flexibility analysis, it appears likely that the FAA has decided to forbear from performing the analysis on the ground that the costs are imposed by virtue of the public law and not by virtue of the regulation. This is not a valid exemption from the "initial regulatory flexibility analysis" requirements of 5 U.S.C. § 603.

Although the Administrator of the FAA is permitted to certify that a rule will not, if promulgated, have a significant economic impact on a substantial number of small entities (5 U.S.C. § 605(b), which permits the Administrator to refrain from performing the regulatory flexibility analysis), certification in the face of clear evidence to the contrary represents an abuse of discretion.

Recommendation

In light of the fact that the estimates presented fall significantly short of the true impact, the Administrator should reconsider the certification concerning this rule's effect on a significant number of small entities, and the Administrator should complete a regulatory flexibility analysis.

Conclusion

There are significant inaccuracies in the information collection requirements analysis. Some of these inaccuracies are contrary to the purposes of the Paperwork Reduction Act and the Regulatory Flexibility Act. The Airline Suppliers Association recommends that these inaccuracies be resolved before the final rule is published.

Respectfully Submitted,

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