

NOTICE

U.S. DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION

N 8900.103

National Policy

Effective Date:
11/25/09

Cancellation Date:
11/25/10

SUBJ: Revised OpSpec Paragraph D091 and Initial and Follow-up Surveillance Requirements: Air Carrier Maintenance Providers

- 1. Purpose of This Notice.** This notice provides information about revised surveillance requirements related to air carrier maintenance providers as well as procedures involving the issuance of a revised operations specification (OpSpec) paragraph D091. This notice also makes issuance of OpSpec paragraph D091 mandatory for all Title 14 of the Code of Federal Regulations (14 CFR) part 119 certificate holders conducting operations under 14 CFR part 121.
- 2. Audience.** The primary audience for this notice is Federal Aviation Administration (FAA) certificate-holding district office (CHDO) managers and Airworthiness inspectors who have certification and surveillance responsibilities for part 119 certificated air carriers conducting operations under part 121. The secondary audience includes Flight Standards branches and divisions in the regions and in Headquarters.
- 3. Where You Can Find This Notice.** You can find this notice on the MyFAA Employee Web site at https://employees.faa.gov/tool_resources/orders_notices. Inspectors can access this notice through the Flight Standards Information Management System (FSIMS) at <http://fsims.avs.faa.gov>. Operators may find this information on the Federal Aviation Administration's (FAA) Web site at <http://fsims.faa.gov>.
- 4. Regulatory Basis.** The FAA's authority for the actions required by this notice is §§ 119.51, 119.59 and 121.373(b).
- 5. Background.** As a result of the findings of Department of Transportation (DOT) Office of the Inspector General (OIG) Report Number AV-2008-090, we have revised and renamed air carrier OpSpecs paragraph D091. We have amended D091 to reflect the term "Essential Maintenance" and its meaning, and removed the air carrier maintenance provider listing from OpSpec D091. Regulations at § 121.369(a) have always required air carriers to establish and maintain a list of their maintenance providers in their air carrier manual. There are no changes to the existing requirement to have a maintenance provider list in the air carrier manual.

 - a. Policy changes.** As a result of confusion related to the meaning of various terms such as contract maintenance, outsource maintenance, outsource contract maintenance, outsource maintenance provider, and substantial maintenance, the policy change standardizes all these terms to two terms.

(1) The term “air carrier maintenance provider” or “maintenance provider” is used for any person with whom the air carrier has made arrangements for the accomplishment of any of its maintenance, preventive maintenance, or alterations.

(2) The term “contract maintenance” means any maintenance, preventive maintenance, or alterations accomplished by an air carrier maintenance provider. However, the air carrier always retains primary responsibility for any contract maintenance accomplished by an air carrier maintenance provider.

b. Standardized Air Carrier Maintenance Provider List. The revised OpSpec D091 standardizes the air carrier maintenance provider listing as follows:

- Outlines five general descriptions of work.
- Contains the name and location of each maintenance provider.
- Identifies the maintenance providers which are authorized to accomplish Essential Maintenance.
- Includes the specific Required Inspection Item(s) (RII) that each Essential Maintenance Provider is authorized to accomplish.

c. Essential Maintenance. Essential Maintenance encompasses any on-wing accomplishment of any maintenance or alteration that the certificate holder has designated as a RII. Essential Maintenance is maintenance that would result in a failure effect that would endanger the continued safe flight and landing of the airplane if it was performed improperly or if improper parts or materials were used. Essential Maintenance also includes the accomplishment of the required inspection itself. Essential Maintenance does not encompass any off wing maintenance.

6. Required Actions. This notice requires principal inspectors (PI) assigned to part 119 certificate holders conducting operations under part 121 who have made arrangements with any person to accomplish any of its maintenance, preventive maintenance, or alterations to accomplish the following actions:

a. Required Documents.

(1) Within 10 business days of the effective date of this notice, provide a copy of the OIG Report Number AV-2008-090, along with a copy of this notice to the individual in the air carrier’s organization that has overall authority and responsibility for all 10 elements of the air carrier’s maintenance program as described in the current edition of Advisory Circular (AC) 120-16, Air Carrier Maintenance Programs.

(2) Accompanied by your office manager, not a designee, deliver these two documents to that individual in person, and explain the changes to be implemented. When you complete this action, record it as follows:

- Use PTRS code 3323/5323.
- Include the details of your onsite visit in the “Comments” section.

- Record N8900.103 in the “National Use” field. Do not use quotation marks in the data entry.

b. Gathering Data. If the air carrier individual identified in subparagraph 6a, is not the part 119 Director of Maintenance (DOM), notify Mr. Russell Unangst, AFS-305 by e-mail. This is a data gathering function related to OIG findings in the report.

(1) Include the following information in the e-mail:

- The air carrier’s name and FAA designator.
- A list of the air carrier maintenance program elements or partial elements that the part 119 DOM has overall authority and responsibility for. (See AC 120-16 for a description of the 10 maintenance program elements.) This will require you to review the lines of authority and responsibility within the air carrier’s maintenance organization that must be documented in their manual.

(2) When you complete this action, record it as follows:

- Use PTRS Code 3390/5390.
- In the “Comments” section include a narrative that identifies the date the e-mail was sent.
- Record N8900.103 in the “National Use” field. Do not use quotation marks in the data entry.

c. Before Issuing the Newly Revised OpSpec D091. Within 90 calendar-days of the effective date of this notice, accomplish the seven items listed in Table 1 of this notice, and, if successful, issue the newly revised OpSpec paragraph D091, per subparagraph 6d below. If not successful, do not issue OpSpec paragraph D091; contact the one or both of the AFS-300 personnel noted in paragraph 10 of this notice. Please note that some of the items on Table 1 apply to Essential Maintenance providers (category 3) while some of the items apply to all air carrier maintenance providers.


d. Initial FAA Essential Maintenance Surveillance Requirements (Essential Maintenance Baseline). Within 180 calendar-days of issuing the newly revised OpSpec D091, complete the following actions:

(1) Enter the Essential Maintenance provider into the Oversight Prioritization Tool (OPT). If the provider is already listed in the OPT, validate and update the information as required.

(2) Complete an Element Performance Inspection (EPI) 1.3.7, of each air carrier Essential Maintenance provider on the listing as follows: If an EPI 1.3.7 was completed within the previous 180 calendar-days, this requirement to complete an EPI 1.3.7 is waived.

Table 1. Actions to Complete Before Issuing the Newly Revised OpSpec D091

#	Actions	All Maintenance Providers	Essential Maintenance Providers
	All seven of these items are FAA oversight of audit activities of CASS		
1	Verify that the certificate holder has a process that ensures that all of its maintenance personnel and all of its maintenance providers are kept informed of the provisions of the certificate holder's D091 OpSpecs. [§ 119.43(c)]	✓	
2	Verify that the certificate holder has a process that ensures that all of its maintenance personnel and all of its maintenance providers are aware that compliance with the provisions of OpSpecs D091 is mandatory. [§§ 119.43(b)(2) and 121.1(b)]	✓	
3	Verify that the certificate holder has a process that ensures that all of its maintenance personnel and all of its maintenance providers are aware of the provisions of § 121.1(b).	✓	
4	Verify that the certificate holder has a detailed and comprehensive Essential Maintenance provider qualification process that includes initial and recurrent onsite audits that serve to determine that each Essential Maintenance provider: 1. Has an organization that is adequate to perform Essential Maintenance and; 2. Provides competent personnel and adequate facilities and equipment for the proper performance of Essential Maintenance and; 3. Always performs Essential Maintenance in accordance with the certificate holder's maintenance program and manual. (recurrent audits only) (§§ 121.365, 121.367, and 121.373)		✓
5	Verify that the certificate holder has identified each maintenance provider by name and location in its maintenance provider listing. Also verify that the certificate holder has also identified the general description of work authorized for each maintenance provider using the following five categories: 1. Aircraft maintenance a. heavy maintenance b. line maintenance 2. Aircraft engine work 3. Propeller work 4. Component work 5. Specialized service	✓	
6	Within its air carrier maintenance provider listing, verify that the certificate holder has a means to identify the specific Required Inspection Item that each Essential Maintenance provider is authorized to accomplish for the certificate holder.		✓

<p>7</p>	<p>Verify that for each Essential Maintenance provider, the certificate holder has accomplished an onsite audit in accordance with its Essential Maintenance provider qualification process before it places that maintenance provider on the listing.</p> <p>a. If the air carrier has accomplished an on-site audit that conforms to the standard of item 4 of this table within the previous 180 calendar days, then air carrier's requirement to conduct an on-site audit is waived.</p>		
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e. After Completing Table 1. After successfully completing all of the activities in Table 1 above, issue the newly revised OpSpec paragraph D091. When you complete the seven items above, record it as follows:

(1) Document this activity using PTRS code 3635/5635.

(2) Record N8900.103 in the “National Use” field. Do not use quotation marks in the data entry.

7. FAA Surveillance Requirements after the Effective Date of This Notice.

a. Before Issuing an Initial OpSpec D091 after the Effective Date of This Notice. Before issuing an initial OpSpec D091, (not previously issued) accomplish all of the activities outlined in Table 1.

b. After Issuing an Initial OpSpec D091 after the Effective Date of This Notice. Within 180 calendar-days of issuing OpSpec D091 (not previously issued), complete the following actions:

(1) Enter each Essential Maintenance provider into the OPT.

(2) Complete an EPI 1.3.7, of each Essential Maintenance provider on the listing.

8. When the Certificate Holder Adds an Essential Maintenance Provider to Its Listing after the Effective Date of This Notice. For each added Essential Maintenance provider, complete the following actions:

a. Accomplish activity items 4 through 7 outlined in Table 1.

- Document this activity using PTRS code 3635/5635.

b. Within 180 calendar-days of the date the air carrier adds an Essential Maintenance provider to the listing, complete the following actions:

- Enter the Essential Maintenance provider into the OPT.
- Complete an EPI 1.3.7, of the added Essential Maintenance provider on the listing.

9. Essential Maintenance Provider Follow-up Surveillance Requirements. After the initial (baseline) EPI 1.3.7 has been accomplished, the CHDO must schedule a follow-up EPI 1.3.7 using their normal risk-based prioritization methodology. In any case, a follow-up EPI 1.3.7 should be accomplished for each Essential Maintenance provider at intervals not to exceed three calendar years.

10. Disposition. We will permanently incorporate the information in this notice in FSIMS Volume 6, Chapter 2, Section 40 before this notice expires. Direct questions concerning this notice to the Mr. Ken Kerzner, Manager, Air Carrier Maintenance Branch, AFS-330, at 202-385-6426, or Mr. Russell Unangst, Technical Advisor, AFS-305 at 803-451-2666. For clarification or additional information about FAA surveillance activities outlined in this notice,

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contact Mr. Peter Spofford, Asst. Manager, ATOS Continual Improvement Section, AFS-900 at 703-509-7209.

ORIGINAL SIGNED BY

Chester D. Dalbey for

John M. Allen

Director, Flight Standards Service

Appendix A. Common Questions

CQ #1: Are the FAA's EMP on-site audits and surveillance required if a listed EMP is not doing any Essential Maintenance work for the air carrier?

Guidance: An air carrier is required to accomplish an on-site audit of an EMP before adding that EMP to the list. Follow-on FAA EMP surveillance requirements are based on the ATOS risk-based surveillance process. If an air carrier qualifies an EMP but never uses that EMP for any work, a risk-based surveillance requirement would be minimal or not required as the probability part of the risk assessment would be low or non-existent. Nonetheless, you should ensure that the air carrier has a process or other means to determine that its EMPs remain qualified to accomplish Essential Maintenance, even if no work is being assigned to that EMP. In any case, the three year interval for accomplishing a 1.3.7 EPI still applies for a maintenance provider that is listed but not used by the air carrier.

CQ #2: How am I notified when the air carrier adds a maintenance provider to its list?

Guidance: Through the provisions of 14 CFR § 121.369(a), the air carrier must keep in its manual, a list of other persons with whom it has arranged for the performance of any required inspections, maintenance, preventive maintenance, or alterations. In addition, through the provisions of 14 CFR § 121.137, the air carrier must furnish you with all changes and additions to its manual, including changes or additions to its list of other persons doing maintenance, etc.

CQ #3: How does an air carrier accomplish a Required Inspection Item (RII) EMP authorization on a one-time basis over the phone?

Guidance: A RII relates directly to flight safety. As such, a one-time RII EMP authorization/qualification must be accomplished under exactly the same process as an authorization/qualification for a continuing use. There can be no difference. In addition to any D091 requirements, you should verify that their RII authorization/qualification process, including a "one-time RII authorization" demonstrates compliance with, at least, all of the following regulatory requirements.

1. The RII candidate is appropriately certificated (14 CFR § 121.371(a)).
2. The RII candidate is properly trained and qualified for the RII (14 CFR § 121.371(a)).

Note: An FAA Mechanic's Certificate with airframe and/or powerplant ratings, by itself, does not demonstrate that an individual is properly trained and qualified to accomplish RII work.

3. The RII candidate is covered by a training program that ensures that the RII candidate is fully informed about RII procedures and techniques and new equipment in use and is competent to perform RII duties. 14 CFR § 121.375
4. The RII inspector will be under the supervision and control of the air carrier's inspection unit at all times when performing RII duties. 14 CFR § 121.371(b)
5. The RII inspector is provided with appropriate parts of the air carrier manual that the RII inspector is required to comply with. 14 CFR § 121.137
6. When the air carrier authorizes an RII inspector, the air carrier provides that individual with written information describing the extent of their RII responsibilities, authorities, and limitations. 14 CFR § 121.371(d)
7. Their RII process places the individual on the authorized RII personnel list before the individual accomplishes any RII duties. The list is available to the Administrator on request, and each authorized RII inspector is identified by name, occupational title, and the required inspections that they are authorized to perform. 14 CFR § 121.371(d)

CQ #4: My air carrier does not keep its air carrier maintenance provider list in its manual; it is in a document that the air carrier keeps separate from the manual. They do not consider it a part of their manual system. How do I keep apprised of changes/additions/deletions to the list?

Guidance: An air carrier must keep the EMP and other maintenance provider listing in its manual or manual system. There are no options. 14 CFR § 121.369(a) clearly requires an air carrier to keep a list of other persons with whom the air carrier has made arrangements for the performance of maintenance, etc in its manual. If the air carrier is keeping the maintenance provider list in a manual that they say is separate from the air carrier manual, you should look at compliance issues involving 14 CFR §§ 119.65(d) and 121.135(a)(1) and (a)(4).

CQ #5. If an air carrier sends a component to a supplier and has it replaced with a 'new' or 'repaired part', is that considered maintenance? Does the supplier need to be on a maintenance provider list?

Guidance: That depends on the transaction. There are two types of transactions. Both require a look at the contract between the person providing the part and the air carrier and/or looking at the bill of work that the air carrier sends along with the part to the person supplying the part.

On the one hand the transaction could be a sales/receipt transaction where the air carrier sells its part to a parts broker and the air carrier buys the serviceable part from the maintenance provider. This is basic buying and selling (a sales transaction) and the end product does not involve maintenance since the air carrier is buying the part not sending it out for maintenance. The cost to the air carrier is the cost of the part, i.e., list or retail

price for the part. These transactions involve persons who are not authorized to accomplish maintenance on the part.

However, on the other hand, if the air carrier sends a part out for maintenance to a maintenance provider authorized to accomplish maintenance on the part and the maintenance provider simply exchanges the received part for a serviceable one it had on the shelf, it is a maintenance transaction not a sales transaction. The cost to the air carrier is the cost of the maintenance not the cost of the part itself. This is a maintenance transaction.

In the first instance, the parts broker would not be listed on the maintenance provider list. The surveillance focus would be on the air carrier receiving inspection and bridging the part into the air carrier system.

In the second instance, maintenance provider would be listed on the maintenance provider list. The surveillance focus would be on the air carrier maintenance provider process for handling and repairing the part according to the air carrier program and should be treated as any other maintenance provider that does maintenance, preventive maintenance, or alterations for the air carrier.

CQ #6. The maintenance provider work description categories seem to be very broad. What are the criteria for classifying work according to the categories?

Guidance:

1. Aircraft maintenance:
 - a. Heavy maintenance includes any scheduled or unscheduled maintenance that requires the airplane to be out of service for more than 72 hours.
 - b. Line maintenance: includes inspection, repair, or replacement of airplane components on the airplane outside of the heavy maintenance environment.
2. Aircraft engines: includes off airplane maintenance of aircraft engines.
3. Propeller work: includes off airplane maintenance of propellers and propeller control components.
4. Components: includes off airplane maintenance of individual components.
5. Specialized service: includes services such as x-ray, plating, eddy current, painting, shot peening, plasma spray, composite structures maintenance, weighing, welding, etc.