

Dear Sir,

RE Special Flight Permit Application VH-IXE Kununurra WA to Jandakot WA

I am a sole proprietor and operator in the name of Ian Robertson but trade under the registered business name of Cape Aviation (CA). I do not have an AOC but buy aircraft from time to time to cross hire or lease to AOC operators, generally flying schools.

On the 3rd and 4th of August 2013, I and a LAME (Chief Engineer status) travelled to Kununurra in WA to inspect a 1979 Partenavia P68B VH-IXE. The aircraft was one of 6 aircraft of the former Alligator Airways (AA) fleet in Kununurra, the subject of a Liquidation Auction run by Gregson's Online on behalf of the liquidator acting for the Commonwealth Bank.

All inspection panels were opened, fillets and fairings removed and a detailed inspection of the aircraft structure was carried. The aircraft MR has expired but despite having not flown for nearly 18months no major defects were found and the aircraft was considered to be in very reasonable condition. The fuel system was flushed and the cylinder bores in each engine were inspected for corrosion or damage but no defects were found. Both engines were run for 20mins and all engine and flight instruments, radios and other components operated normally.

I was aware at this time of a CAR 38 Direction that existed on the aircraft, served on the previous operator AA. I was also aware of the issues raised in that document. Based on the inspection and examination of the log books, we did not see any major issues with the acquittal of the CAR 38 Direction but with the demise of AA the work required could not realistically be done at Kununurra.

The aircraft was passed in at auction and on returning to Perth I made an offer for the aircraft which was accepted. I became the certificate holder (CoR) and registered operator (RO) on the 12th August 2013.

The LAME and myself then compiled a special flight permit application detailing what we intended to do the aircraft to make it safe for the intended flight to Jandakot Perth WA, IAW the requirements of CAR 21.197. We addressed all overruns and outstanding ADs detailed in the CAR 38 Direction and some additional ADs which were found due after a logbook audit. We Included schedule service of the engines and propellers including 1 propeller overhaul, the latest EASA wing spar inspection AD and a pitot static check. Once the aircraft was repositioned to Jandakot all the necessary work to complete the acquittal of the CAR 38 Direction and issue a new Maintenance Release under a new maintenance schedule would be done.

The aircraft, like many P68B, has the AEA CASA approved spar reinforcement and has current AD exclusions for the AMOC. As the new RO I am obligated to reapply for these exclusions. I did this on the 12th of August and paid \$1440 for the privilege

This SFP application was not even considered by the Western Region CASA office as the timeframes were not considered realistic because CASA would not proceed without the exclusion mentioned above even though the aircraft had previous approval for the AMOC. CASA also responded with a detailed and extraordinary list of requirements for a SFP including the acquittal of the CAR 38 Direction which seems to be in total conflict with the intent and requirements of the SFP legislation.

Both these exclusions have now been issued by AEB in Canberra with the last received in early December.

The CASA work required amongst other things an Annual Inspection, an update of the logbooks IAW with the Alligator Airways System of Maintenance (AA SOM), CAO100.5 and the AA SOM Special Inspection of engine mount frames (x-ray) which is above and beyond the CASA, FAA and OEM requirements. The work specified, if carried out in Kununurra, would make the aircraft compliant and we would not require a SFP if we did so. Kununurra is remote and the maintenance facilities of AA are no longer available. There are no other retail maintenance facilities readily available and some personnel to carry out all requirements are not available. I contacted several of the operators at Kununurra and none would make facilities available for VH-IXE and declined to do any work on the aircraft as a retail job.

My understanding of the various Regulations and CASA Manuals on the issue of SFPs is that the aircraft need only be considered safe for the intended flight and need not have a current MR and can operate with outstanding maintenance issues, ADs and SBs (CASR 21.197) and a CAR 38 direction provided they do not specifically exclude the issue a SFP (CASR 21.200 and CASA Procedures Manual).

Despite our disappointment at the requirements, to try and progress the issue of a SFP we formulated a new SFP application based on the information provided by CASA as the alternative of trucking the aircraft to Perth is not an option at this point.

This application included an Annual Inspection based on Check 1, 2, 3 and 4 of the Alligator Airways SOM, a propeller overhaul, AD ENG 4 with inspection of cylinder bores and valve gear and almost every CASA listed requirement. We undertook to issue a MR for the Special Flight Permit detailing those items we could not address in Kununurra. None of the outstanding issues would affect the safety of the intended flight based on the work done to the aircraft provided no further defects are found.

We re-submitted the SFP application and have received an estimate to process and assess of 30.5hours @ \$160/Hr. a cost of \$4880 with, as I understand it, no guarantee of approval.

It is now nearly 4 months since we applied for the first SFP. I understand the CAR 38 Direction served on AA may complicate the issue of a SFP but a CAR 38 Direction does not, in itself preclude the issue of a SFP. The CAR 38 Direction was served on AA and is written in the context of AA returning the aircraft to active service with that organisation. I am not AA and have no intention of operating this aircraft as that operator or under that operator's SOM or AOC. I feel that whatever issues CASA had with AA are unfairly being passed to me. I accept that the CAR 38 needs to be acquitted but not in Kununurra and should not be a prerequisite for a SFP.

I feel the cost estimate to assess the SFP is unreasonable given the amount of research we have done in preparation of the application and the amount of work we will do to make the aircraft safe for the intended flight.

In the interests of reasonableness I requested a review of the situation be conducted by CASA west region to arrive at a reasonable amount of work to be done and a reasonable fee for the issue of a SFP for VH-IXE which does not require acquittal of the CAR 38 Direction in Kununurra. This request

was denied essentially saying pay up or find another way to the aircraft to Perth. I have escalated such a request to the CASA ICC and await their response.

I am aware there has been a number of other SFP application rejected or undergone protracted negotiations recently by the West Region office which would indicate that there may be a locally instigated or ad-hoc change in CASA policy in relation to the issue of SFP. At best it is a local office inconsistent interpretation of the regulations and at worst a particular interpretation by an individual who has no regard for the expert opinion of or for information supplied by an experienced Airworthiness Engineer, LAME and the Registered Operator as to the status of the aircraft being safe for the intended flight. It is this strict regulatory approach that is destroying the endeavours of small GA operators in Australia.

Yours faithfully,

Ian Robertson

Cape Aviation