



## SUMMARY OF PROPOSED CHANGE



# Amendments to CAOs 40.7 and 82.7 to align with regulation 5.01 of CAR 1988

Civil Aviation Order 40.7 Amendment Instrument 2019 (No. 1)

Civil Aviation Order 82.7 Amendment Instrument 2019 (No. 1)

<b>Date</b>	February 2019
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## Introduction

Currently, elements of Civil Aviation Orders (CAOs) 40.7 *Aircraft Endorsements (balloons) and flight instructor (balloons) ratings* and 82.7 *Air Operators' Certificates authorising aerial work operations and charter operations in balloons* are not consistent with the definition of hot air balloon size classes in regulation 5.01 of the *Civil Aviation Regulations 1988* (CAR). This has caused some confusion within the ballooning industry in relation to:

- the privileges of a current Class 1 endorsed Commercial Pilot (Balloon) Licence (CP(B)L) holder
- the aeronautical experience and training requirements for a pilot wishing to obtain a Class 2 endorsement
- the privileges of a current Class 2 endorsed CP(B)L holder
- the aeronautical experience requirements for a Chief Pilot

CASA is proposing to correct the discrepancies by amending the experience and training requirements for the size classes in CAO 40.7 and the experience requirements for a Chief Pilot in CAO 82.7.

## Purpose and scope of the proposed amendments

The proposed amendments will ensure relevant requirements are clearly articulated and consistent between the regulations and CAOs. The proposed amendments are designed to provide a simple and flexible method for assessing a pilot's competency to fly larger balloon types during AOC operations and clearly outline the Chief Pilot requirements for AOC holders. The proposal incorporates practical proficiency checks and documentation requirements.

The proposed amendments to CAOs 40.7 and 82.7 include:

- replacing the current Class endorsements in CAO 40.7 with Class 1 and Class 2 balloon endorsements.
- introducing a restricted (R) and unrestricted (U) endorsement applicable to Class 1 and Class 2 endorsements
- prescribing minimum hours of line training for pilots flying as pilot in command under supervision (PICUS) under regulation 5.40 of CAR to be logged after initial qualification for Class 1 or Class 2 balloons
- prescribing the maximum number of passengers that may be carried in a Class 1 balloon by a newly qualified CP(B)L until the required line training has been undertaken
- prescribing the minimum aeronautical experience required for a pilot requesting an endorsement to fly a Class 2 balloon
- prescribing the maximum envelope size a newly qualified Class 2 balloon pilot can fly until the required line training has been undertaken
- requiring competency-based line training
- placing appropriate levels of responsibility on instructors and chief pilots for the competency of pilots
- prescribing in CAO 82.7 the minimum aeronautical experience required for a Chief Pilot of an AOC holder
- clarifying the requirements for a gas balloon (Class 3) endorsement

- reducing the tethered flight time requirement for the flight instructor (balloon) rating from 10 hours to five hours.

Once this consultation has closed CASA will analyse all feedback and publish a summary of consultation. Our intention is to remove the current discrepancies between the regulations and CAOs as soon as practicable.

### Previous similar consultations

CASA has previously proposed changes to CAO 40.7 and associated legislative instruments however the proposed changes were different to those contained in the current consultation.

In 2012 CASA sought comment on proposed amendments to CAO 40.7 and CAO 95.53 *Exemptions from provisions of the Civil Aviation Regulations 1988 – manned balloons and hot air airships – aerial work and charter operations*. In 2014 comment was again sought on the proposed amendments to CAO 40.7 and accompanying CASA exemption EX35/14 *Exemption manned balloons*.

Responses to the proposed exemption indicated a significant lack of support for any regulatory intervention. In response to the feedback CASA decided not to take any immediate action.

Amendments to CAO 82.7 *Air Operators' Certificates authorising aerial work operations and charter operations in balloons* have not been previously proposed.

### Impact on industry

The proposed amendments aim to provide the following benefits to balloon AOC holders:

- consistency in standards regarding the requirements and privileges of endorsements
- removal of existing uncertainty about the standards
- improved regulatory efficiency through reduced complexity
- cost reduction through permitting line training on charter flights.

The proposed policy will reduce costs for balloon AOC holders. Balloon pilots will be able to receive on-the-job training during charter operations for endorsement of competency on a balloon type. This will replace having to receive training during private operations which is expensive and impractical in large balloons. Minor amendments to AOC operations manuals will be required. However, as this proposal does not require any changes to currently issued AOCs or operational specifications, no fees are usually associated with minor operations manual amendments.

Reducing the tether time requirements for applicants for the flight instructor (balloon) rating removes an unnecessary requirement. Five hours of tethering experience is already required for the initial issue of a CP(B)L.

CASA does not propose to retrospectively apply the proposed changes to CAO 40.7 for existing holders of Class 1 or Class 2 endorsements. However, as per standard practice, AOC holders may elect to apply the proposed training for pilots, holding class 1 or class 2 endorsements that are not endorsed as (R) or (U).

CASA does not propose to retrospectively apply the proposed changes to CAO 82.7.

### **Safety risk analysis**

CASA anticipates existing safety risk mitigators (such as ensuring adequate and appropriate training and experience for commercial balloon pilots and effective safety oversight by AOC holder systems) will be enhanced and more flexible in application as a result of these changes. The additional flexibility is not considered to degrade safety as appropriate checks are incorporated into the proposed training and endorsement process. The AOC holder's Chief Pilot must be satisfied that all pilots are competent to fly the balloons for which they are rostered.

### **Regulation impact statement**

CASA will consider the responses to this SPC and submit a Preliminary Assessment to the Office of Best Practice Regulation (OBPR) outlining the impact of the proposed amendments. We will prepare a Regulation Impact Statement if required by the OBPR.

### **Closing date for comment**

Comments on the draft CAO 40.7 and CAO 82.7 should be submitted through the online response form by close of business 15 March 2019.