

# Terms of Reference for Risk Assessment

## Request to review CAR 702 and associated Standard

### ***Background:***

Presently, Canadian Aviation Regulation (CAR) 702 Commercial Air Services applies to a wide variety of both fixed and rotary wing operations which require the issuance of an Air Operator Certificate (AOC). The level of activity and associated risks for the certification and surveillance of these various activities vary based on the size, scope and complexity of the operations.

Internal and external feedback over the past decade on the broad scope of this aircraft category has resulted in discussions on whether the CAR 702 category and the application of the rules and standards referred to within CAR 702 and its associated standard (722) are best suited for the broad types of operations currently contained in this section.

Certification models such as those developed for the latest amendment to Canadian Aviation Regulation Part 604, the current FAA regulatory model for similar type operations, or another type of approach hybrid should be explored.

In order to facilitate this exploration of potential changes to CAR Part 702, a formal (Conventional Tool) Risk Assessment (RA) is required to identify potential hazards, risks and mitigation strategies. The RA will be the first formal step in determining next steps.

### ***System under Review:***

The system under review is the continued applicability of Canadian Aviation Regulation (CAR) Part 702 and its associated Standards.

Applying in respect of the operation of an aeroplane or helicopter in aerial work involving

- (a) The carriage on board of persons other than flight crew members;
- (b) The carriage of helicopter Class B, C or D external loads;
- (c) The towing of objects; or
- (d) The dispersal of products.

But not applying in respect of the operation of an ultra-light aeroplane, or in respect of the operation of an aircraft in aerial work involving sightseeing operations.

### ***Subject of Risk Assessment:***

By considering the absence of the current 702 model, identify and discuss the risks, potential benefits, and any necessary mitigations associated with not regulating 702. All aspects of regulation (i.e. scope), and oversight (certification and surveillance) are to be considered when identifying organizational, industry and public safety risks.

### ***Decision Maker:***

Robert Sincennes  
Director of Standards, Civil Aviation  
330 Sparks St., Tower C, 2<sup>nd</sup> Floor,  
Ottawa, ON K1A 0N5  
613-990-2738

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### **Methodology:**

Perform a formal (Conventional) Risk Assessment completed in accordance with Staff Instruction SI QUA-008 – Risk Management Process for Aviation Safety Activities and these terms of reference. The Assessment team will be comprised of participants and representatives composed of internal (to Transport Canada) and external Stakeholders.

After having applied the risk analysis of step two on the concept of not having the current model in place the significant risk will be identified. The Risk Assessment team is then being asked to examine all appropriate mitigation strategies, including continued use of the existing 702 model and identify any potential changes to the regulatory structure. To determine the best risk-based oversight approach to be used for this industry sector from a risk, regulatory, and oversight standpoint, the team will apply the criteria identified below with any appropriate modifications identified by the team. The team will then identify and discuss the risks, potential benefits and mitigations associated with potentially changing the current scope and requirements of CAR 702 and its associated Standards. Finally, the team will make recommendations on the most appropriate way forward respecting the objectives and expectations of Transport Canada.

### **Constraints:**

The recommendations will be constrained by regulatory processes and procedures.

### **Assumptions:**

As a minimum, certification models such as those developed for the latest amendment to Canadian Aviation Regulation Part 604, the current FAA regulatory model for similar type operations, or another type of approach hybrid should be explored.

### **Criteria:**

<b>Standard Transport Canada Civil Aviation Criteria</b>	<b>Weight</b>
Protects life, health, the environment and property.	10
Promotes public confidence in the safety and security of our transportation system.	8
Promotes economic efficiency, accessibility, and sustainability of the national transportation system.	6
Promotes efficient use of Transport Canada's human and financial resources.	5
Promotes stakeholder satisfaction and the principles of shared commitment and partnerships with industry.	4

### **Proposed Team Composition:**

<b>Key Competency</b>	<b>Team Member</b>	<b>Role</b>
Risk Management Program / Process	Mélanie Drouin	Facilitator
Civil Aviation Safety Canadian Aviation Regulations Transport Canada Management expectations	John Glavind	Team Leader
Administrative	To be determined	Scribe

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Civil Aviation Safety Canadian Aviation Regulations PART 702 Transport Canada Regulatory history and development Other regulatory models	Robert Freeman	Team Member
Civil Aviation Safety Canadian Aviation Regulations PART 702 Transport Canada Regulatory development Other models	Stephane Demers	Team Member
Civil Aviation Safety Canadian Aviation Regulations PART 702 Transport Canada Implementation and oversight Ontario region (capturing diversity between regions) Implementation and oversight PNR region (capturing geographic diversity)	Regional Operations Inspector To be determined	Team Member
Civil Aviation Safety Canadian Aviation Regulations Transport Canada Policy Making	Roger Constantin	Team Member
Industry Representative Canadian Aviation Regulations PART 702 Understanding of Northern operators	NATA Representative Glenn Priestley	Team Member
Industry Representative Canadian Aviation Regulations PART 702 Understanding of Helicopter operations	HAC Representative Fred Jones	Team Member
Industry Representative Canadian Aviation Regulations PART 702 Understanding of Applicator operations	CAAA Representative Shaun Kinniburgh	Team Member
Industry Representative Canadian Aviation Regulations PART 702 Representative for the remaining diversity of operations	Les Alders ATAC/ 702 Operators	Team Member

### **Definitions:**

As per the Risk Management Lexicon at RDIMS No. 6083986.

Additional Terms:

Terms	Definition
CAR 702	Existing regulations are defined in CAR 702 and associated Standard 722
CAR 604	New Regulatory Model for CAR 604 Operations
FAR Parts	Relevant parts of FAA rules to CAR 702 Operations
Other Documents to be listed	TBD

### **Reporting:**

The Summary Sheet which is part of the Conventional Tool, will be used as a cover sheet to convey the results of the Risk Assessment to the Decision Maker within 15 working days of completion of the RA

### **Financial Arrangements:**

Costs for travel and accommodation for non-Transport Canada members of the Risk Assessment Team will be borne by the respective individuals/organizations.

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Costs for travel and accommodation for Transport Canada members of the Risk Assessment Team will be borne by their division/branch.

All hospitality, administrative and associated costs will be borne by the Decision Maker.

Duration:

The Risk Assessment Team will assemble in person in Ottawa with the Team Leader joining by video conference. There will be a reserved boardroom at Tower C, Ottawa for the Facilitator, Ottawa participants and industry participants.

### Target dates for each phase of the Risk Assessment are as follows

Phase	Dates	Time	Remarks	Person Responsible
Preparations for Meeting	July-September 2016	60 days	In Progress	Team Leader
Conventional Process Review with RA participants by teleconference (Mandatory for participants not familiar with the TCCA Conventional RA Tool)	September 29, 2016	2 hr.		Team Leader and Facilitator
Conventional Risk Assessment Meeting	October 03-07, 2016	5 days		Facilitator and RA Team
Prepare RA report	October 11-21, 2016	10 days		Team Leader
Send draft report to RA team for their comments	October 24-28, 2016	5 days		Team Leader
Conventional Risk Assessment Review and Finalization secretarially	November 01-04, 2016	5 days		RA Team
Send RA report to Decision Maker for review, acceptance and/or additional comments	November 14, 2016	5 days		Team Leader

Approved by Decision Maker.

Robert Sincennes  
Director of Standards, Civil Aviation  
Transport Canada, Civil Aviation

Date August 26, 2016