

STATEMENT OF WOODIE WOODWARD, ASSOCIATE ADMINISTRATOR FOR AIRPORTS, FEDERAL AVIATION ADMINISTRATION, BEFORE THE SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, ON AIRPORT CAPACITY IN THE CHICAGO AREA. MARCH 21, 2002

Chairman Hollings, Senator McCain, and Members of the Committee:

It is a pleasure to appear before you today. I think it is very fitting that my first appearance before this Committee in my position as Associate Administrator for Airports is to discuss the issue of increased airport capacity in the Chicago region. Helping to enhance airport capacity system-wide is one of my office's main functions.

The situation in the Chicago metropolitan area brings into sharp focus all the elements of managing the growth of our aviation system: adequate planning for growth, modernization of facilities, environmental protection, safety, financing, and the role of local, state and federal government authorities. The effort to address those challenges with both short and long-term solutions will not only benefit the Chicago region but will reverberate throughout the system by reducing delays. On behalf of Secretary Norman Mineta and Administrator Jane Garvey, I wish to commend the Committee for its interest and leadership in bringing attention to these issues.

Aviation security has understandably been the focus in recent months, but the capacity of our aviation system--one of the underlying causes of aviation delays--is also critical to the efficient

and safe operation of the system. Although air travel is down due to last year's recession and the terrorist attacks of September 11th, we must still focus on the future needs of the system. Last week the FAA released its most recent annual *Aerospace Forecasts, 2001-2013*, which predicts that the decline in airline passenger traffic will continue through this year but will be followed by a strong recovery in 2003. By fiscal year 2004, we expect a return to more normal levels of growth, expanding at an average annual rate of 4 percent for the next ten years, reaching 1 billion passengers in fiscal year 2013. That is three years later than predicted in last year's *Forecast*. However, as Administrator Garvey emphasized: "Regardless of the short-term decline in air traffic, our *Forecast* underscores the need for the government and the aviation industry to continue adding capacity to our system to meet the demand that will return and grow."

It is important to understand our many ongoing efforts to address the challenges posed by congestion. The *Airport Capacity Benchmark Report 2001*, which the Secretary released last April, documents that we are faced with very challenging capacity issues. It provides valuable data that has helped the FAA, airports, airlines, and other system users make informed decisions and investments to better meet the ever increasing demand for capacity and relieve the causes of delays. Our report documents that there are a handful of airports--including Chicago's O'Hare International airport--at which demand exceeds capacity and where, in adverse conditions, the resulting delays have impacts throughout the National Airspace System (NAS).

In 2000, O'Hare was ranked the second busiest and the third most delayed airport in the country. Overall, slightly more than 6 percent of all flights were delayed significantly (*i.e.* more than 15 minutes). On good weather days, scheduled traffic is at or above the capacity benchmark (200-202 flights per hour) for 3 1/2 hours of the day and about 2 percent of the flights are delayed significantly. In adverse weather, which may include poor visibility, unfavorable winds, or heavy precipitation, capacity is lower (157-160 or fewer flights per hour) and scheduled traffic exceeds capacity for 8 hours of the day. Furthermore, the number of significantly delayed flights jumps to 12 percent. Although the report uses year 2000 data, its conclusion, that the imbalance between capacity and demand growth over the next ten years can be expected to significantly increase delays at O'Hare, is still valid.

As we all are aware, there has been considerable controversy over the years about how the Chicago region should deal with this imbalance. There was a lack of consensus on capacity increases at O'Hare, a suitable site for a new airport, the size of airport infrastructure, the role of existing airports, and the degree to which air carriers may institute service at a new site. Studies were conducted, task forces formed, alternatives were debated, but resolution was elusive-- until last December. The FAA applauds both Governor George Ryan and Mayor Richard Daley for reaching an agreement regarding the redesign of Chicago O'Hare's runways and the development of a south suburban airport near Peotone, Illinois. As we understand it, under the agreement, both the Mayor and Governor will support the reconfiguration of O'Hare's runways

and the addition of a new southern runway in accordance with the Mayor's plan, construction of a western entrance to O'Hare, and investment of an additional \$450 million in soundproofing homes and schools near O'Hare. They will also support application for federal funds for the construction of a new airport near Peotone, Illinois, and agree that Chicago Meigs Field (Meigs) could be closed anytime after January 2006, with the State's concurrence but, barring no opposition, it could remain open until January 1, 2026, under certain prescribed conditions (enforced by partial withholding of AIP grant funding).

We believe the agreement marks significant progress toward increasing aviation capacity that will not only benefit the people of Chicago's metropolitan region but air travelers nationwide because Chicago is a vital link in our aviation system. A resolution of the long-standing debate over Chicago's congestion challenges is what all parties discussed and were hoping for when this Committee held its hearing last June on the capacity needs of the Chicago metropolitan region. We think that it is key that the agreement provides the region with both near and long term airport capacity expansion. It does so in the near term, meaning over the next 10 to 20 years, by redesigning O'Hare's runways and maintaining Meigs Field as an open and viable facility, and the longer-term by the plan for additional capacity through the construction of a new south suburban airport.

The city has put in a great effort and developed its preferred concept for redeveloping O'Hare. While that concept has been well received, it is important to remember that it is still a concept.

It should now be subject to a variety of reviews and analyses, and it is possible that it will be further refined and improved. There are established procedures for technical and environmental reviews, which are as appropriate for improvements in Chicago as they are elsewhere. While these reviews take time, they are worthwhile, and I assure you that the FAA is doing all it can to move the process ahead as quickly as possible, while maintaining a strong focus on reducing environmental impacts. We will employ the environmental streamlining initiatives that we described in our May 2001 report to Congress towards that end.

I assure you that we at the FAA will continue to work closely with both City and State officials as they move from the planning stage to implementing the agreement. As you know, the current Airport Improvement Program (AIP) is well suited to assist state and local governments make needed airport capacity improvements not only in Chicago, but nationwide. Although Federal funding and standards are a significant component of this successful formula, the state and local decision-making that shapes projects is key to balancing needs across the country. Above all, under current law, states and localities can be confident that, as they formulate plans, the overall federal resources and commitment are available to their projects under uniform statutory criteria.

There is legislation to codify and implement this agreement, introduced by Senator Richard Durbin, S. 1786, now pending before this Committee and there is a companion bill in the House, H.R. 3479, introduced by Representative William Lipinski, which was the subject of a recent House hearing. However, we understand that the proponents of the bills are considering

changes in light of informal discussions with government, industry, and environmental interest groups, and that a revised proposal will address many of the concerns that have been raised. Those areas where we have concerns include unique priorities for the O'Hare redesign, changing how the project would be considered during environmental reviews, and providing for federal responsibility for "enforcing" the agreement by federalizing the construction of the project and transferring noise mitigation responsibility from local authorities to the FAA. Our discussions with City and State officials about the legislation have been productive and we will continue to work with them and the Committee to resolve remaining issues.

Federal legislation is not necessary for the FAA to work with the parties and begin to implement some capacity solutions in the Chicago region. The fact that eight, and soon nine, major runways are now being built in major metropolitan areas at large hub airports provides clear evidence that major airport redevelopment can occur when there is local political consensus. In the case of Chicago, the FAA is already working to move forward on the aviation goals of the Mayor and Governor. Two weeks ago, the FAA issued a \$4.5 million AIP grant for development of an airport Master Plan that will evaluate the O'Hare reconfiguration. We anticipate that the Master Plan study, and associated airport layout plan (ALP), will address many of the proposal's outstanding issues including anticipated benefits, schedule, forecasts, and runway safety concerns. Prior to receiving federal funding for development, the FAA must approve an ALP and an Environmental Impact Statement (EIS). We plan to work in partnership with City, State, and other stakeholders to expedite the Master Plan review and

environmental process. The FAA must also address significant airspace reconfiguration associated with the proposal.

We are also working hard on the environmental review related to the proposal for a new south suburban airport. In early 2000, the Illinois Department of Transportation (IDOT) presented a proposal to the FAA to landbank a new airport site near Peotone. IDOT requested FAA to prepare a "tiered" EIS for designating the location as a future airport site and for landbanking at state expense. IDOT's intent is to develop airport infrastructure at the site as aviation demand develops.

The Tier 1 EIS addresses the federal action of site approval for a potential, future air carrier airport in the south suburban area of Chicago. The decision to construct a new airport to provide additional capacity in the south suburban area of Chicago will have to be addressed in a future tier EIS, if and when a decision is made to proceed with development. We have all possible resources working on the Tier I EIS to complete it as fast as possible. It is one of the high priority airport proposals nationwide where FAA has established an elite EIS team to guide and expedite the work. The Tier 1 EIS is currently on schedule for a Spring 2002 completion. In advance of the FAA Tier 1 EIS/Record of Decision, and at its own risk, the State of Illinois has started the initial phase of land acquisition within the boundary of the proposed airport site. The Illinois legislature has appropriated \$75 million for that purpose.

In our view, discussion about increased use and/or improvements to any or all of the Chicago metropolitan airports, including increasing the capacity of airports through runway construction, is welcome and necessary. Improvements to the region's other airport facilities can proceed along with the ongoing consideration of a possible new supplemental airport for the region. Meaningful discussion must include both near and long-term plans for improvements to the system. Here in Chicago as elsewhere, it does not have to be an "either/or" proposition.

Mr. Chairman, it is a very positive development that the City and State have come together to reach consensus for both near and long-term measures to deal with the predicted growth in operations at the region's airports. We stand ready to assist in any way we can.

That concludes my prepared statement. I will be happy to answer any questions at this time.

* *