STATEMENT OF MARION C. BLAKEY, ADMINISTRATOR, FEDERAL AVIATION ADMINISTRATION, BEFORE THE SENATE COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION, FIELD HEARING IN ANCHORAGE, ALASKA, ENTITLED ALASKA AVIATION INFRASTRUCTURE AND FUNDING CHALLENGES—MEETING FUTURE SAFETY, CAPITAL, AND TECHNOLOGICAL NEEDS.

July 5, 2006

Good morning Senator Stevens and Members of the Committee. It is wonderful to be back in the great state of Alaska. I was here a year ago and had a wonderful time. At that time, I had the opportunity to speak with many interesting people about the aviation needs of Alaska and see for myself how the important safety initiatives we are working on with the aviation community here are making a real difference in the lives of the people who depend so much on flying for the basic needs of everyday life. So I am happy to be back and see what has happened in the past year and to reacquaint myself with some of the folks I talked with last year. I very much appreciate that, thanks to the continued interest and support of Senator Stevens and the help of the Alaska aviation community, aviation safety in the state continues to improve. The experience and expertise gained through the initiatives we are working on here will eventually improve safety throughout the country.

Although I emphasized it last year, it bears repeating that aviation safety is the critical mission of the Federal Aviation Administration (FAA) and enhancing safety in Alaska remains an essential part of our Flight Plan. Most Americans don't have to worry about getting in a plane to get medical attention or basic supplies; Alaskans do. While flying is

taken for granted in Alaska, safety isn't, as has been evidenced by the admirable work that has gone into reducing the number of accidents in certain parts of the state by 40 to 50 percent in the past decade. We can all be proud of what we have done to achieve this accident reduction and we can be prouder still that we are not content to rest on our accomplishments and are working to make things ever safer. So I would like to update you on a couple of the initiatives I talked to you about last year to let you know where we are and where we are going.

The Alaska Capstone Program, a technology driven safety program, continues to achieve near term safety and efficiency gains in aviation by accelerating implementation and use of modern technology, in both avionics and ground systems. The key enabling technology on which Capstone is based is Automatic Dependent Surveillance-Broadcast (ADS-B). ADS-B gives an aircraft with the requisite data uplink/downlink and cockpit display capabilities the same information about other aircraft in the vicinity as air traffic control now receives. Capstone equipped aircraft using ADS-B have had a consistently lower accident rate than non-equipped aircraft. Consequently, a major goal of Capstone is to continue to pursue affordable avionics so that aircraft owners will have a range of choices appropriate to their operational needs. This includes both creating options for equipage and a strategy to ensure that all aircraft in Alaska are equipped. I won't go into all of the details I did in my statement last year on this important program, but I would like to focus on how Capstone has helped us get to the point where we can move forward with ADS-B.

ADS-B is, quite simply, the future of air traffic control. Instead of using radar data to keep aircraft at safe distances from one another, in the future, signals from Global Positioning Satellites will provide air traffic controllers and pilots with much more accurate information that will help keep aircraft safely separated in the sky and on runways. Pilots operating equipped aircraft have much better situational awareness because they know where their own aircraft are with greater accuracy, and their displays will show them all the aircraft in the air around them. ADS-B will improve aviation safety in the air and on the ground, as well as increase capacity. Capstone, which began installing equipment in aircraft in July 2000 in the Yukon-Kuskokwim (Y-K) Delta Region, has served as a critical test bed for this important technology.

In May, I established a national ADS-B program office in FAA to facilitate and oversee the integration of ADS-B into the National Airspace System (NAS). The national program will build on the successes of Capstone. The information and experience we have gained here in Alaska will help FAA accelerate the integration efforts throughout Alaska, which is critical to the success of the Next Generation of Air Traffic Services (NGATS). So the importance of the role played by the people here in Alaska cannot be overstated. I want to thank the entire Alaskan aviation community, in partnership with the Capstone Program Office, for its leadership in the development of far-reaching and innovative changes that will continue to have a positive impact on the NAS.

I do want to acknowledge one problem we faced regarding ADS-B in Alaska. Earlier this year, it was determined that an unapproved separation standard was being applied by the

Anchorage Center (ZAN) between ADS-B surveilled aircraft and radar surveilled aircraft. As a result of this determination, FAA executives, including the Associate Administrator for Aviation Safety and the Alaska Regional Administrator, decided to suspend the display of ADS-B targets on ZAN controller displays. I believe this action was necessary and appropriate pending an assessment of the operational use of ADS-B in this area.

Unfortunately, there were unintended consequences with the operator fleet monitoring (OFM) and the display of traffic information in the control tower at Bethel. Upon learning this, we took corrective action to reinstate the capability of OFM and display of traffic information in the Bethel tower, both of which are now restored. The ADS-B capabilities of Flight Information Services – Broadcast (FIS-B), Air-to-Air situational awareness, and Search and Rescue (SAR) have been and will continue to be provided without disruption. Anchorage Center continues to provide instrument flight rules (IFR) separation services in the Bethel area through procedural methods.

FAA is committed to resolving the remaining issues associated with safely separating ADS-B targets from radar targets (known as a mixed environment). The use of ADS-B information as a fully integrated air traffic control surveillance source requires an approved operational evaluation with appropriate controls to ensure compliance with safety standards. FAA has in place an aggressive schedule to achieve such compliance. On July 15, the FAA will begin an operational validation to evaluate minimum separation standards in a mixed environment in the Bethel, Aniak, and St. Mary's areas. On or

about August 15, the FAA plans to expand the operational validation of the mixed environment to the Dillingham and Kang Salmon areas.

Another joint industry – FAA effort that continues to improve aviation safety in Alaska is the Medallion Shield Program, a program implemented by the Medallion Foundation. The program sets voluntary safety standards for air carriers in Alaska that are above and beyond FAA requirements. The program focuses on establishing and sustaining an elevated level of safety performance through: the development of a safety culture that holds safety as a core value; continuous professional development of individual skills and competence; proactive sharing of operational control responsibilities; hazard identification and risk management; and management practices that support the organization's safety objectives.

For those of you who are unfamiliar with the program, the Five Stars in the Medallion Five Star Shield program include numerous methods for improving safety. To earn the First Star, each air carrier must establish a safety program which, at a minimum, should include safety meetings and audits, the use of root-cause analysis, hazard identification, incident investigations, and a viable emergency response plan. The Five Star program also requires a classroom training program for pilots, mechanics and ground service personnel, as well as required training on a PC-based computer simulator. Two annual check rides are required to receive this second Star, and annual pilot proficiency check rides are required to keep the Star. The Third Star involves operational risk management. A dynamic system that provides analytical tools as well as a system of checks and

balances to proactively identify hazards and manage risks is required. The carrier must have an operational risk management system that quantifies the risks for each flight, including weather, airport, and crew readiness. The total risk score determines if the flight is conducted normally, if more management evaluation is required for release of the flight, or if the flight is cancelled. The Fourth Star concerns maintenance and ground service operations, requiring specific training and manning levels. The Fifth Star is an internal audit program, which requires incorporation of a proactive internal audit system that focuses on the use of systems safety principles, as well as regulatory compliance. This is a comprehensive audit program requirement intended to allow the operator to continuously monitor their operating systems and provide for continuous improvement. In order to maintain Shield status, the operator must successfully pass an audit each year. A direct benefit of the Shield program for operators is that the insurance industry has agreed to provide favorable rates for Shield carriers.

The Medallion Shield Program has expanded from 10 carriers in August 2002 to 75 today. Of those, three have received their Shield and 27 have at least one Star. The state of Alaska now requires bidders for any type of state contract involving air carriage to have at least one star in the program. This work has yielded results. Since September 2004, there have been no fatalities involving part 135 air operators in Alaska, a streak that we hope will long continue.

The Medallion Flyer Program is the general aviation counterpart of the Shield Program. It is a voluntary program that targets all Part 91 operators, including flight schools,

hunting and fishing guides, lodge operators, Civil Air Patrol, and law enforcement agencies. The program focuses on the adoption and implementation of personal safety and risk management programs by Alaska's general aviation pilots. In addition to an ongoing structured educational program, the Flyer Program uses sophisticated flight training devices and flight simulators have been purchased and are being used to improve the pilot skills of its participants. More than 1,000 pilots are voluntarily participating in the program, and more than 500 have completed the initial Medallion training. Again, let's look at the bottom line. There have been no fatalities involving any Medallion pilot who has completed initial training. This says to me, let's just keep working together.

The last thing I would like to talk about today is something that I know is of great concern to Senator Stevens and that is the President's 2007 budget request for the Airport Improvement Program (AIP). Senator Stevens spoke with great eloquence and passion the last time I appeared before his Committee on this matter, so I would like to take the time to address his concerns head on.

I know Senator Stevens is uniquely situated to understand the current budget climate in Washington, D.C. I also know the Administration and Congress share the sense of obligation that we must make the absolute best use of the taxpayers' dollars. Like other government agencies, FAA had to take a hard look at our programs and make some difficult choices. While I recognize that some people would like to see the AIP funding level higher, the AIP budget request for next fiscal year will meet the current needs of the nation's airports. I also want to emphasize that Alaska's airport needs will continue to be met. As I said at the outset of my statement, I understand the importance of aviation to the state of Alaska. That is why, although Alaska would see a reduction in AIP funding under our budget request, it would rank second in the nation in the amount of entitlement funds it would receive, up from third in FY 06. Surely that says something about FAA's commitment to this important state.

Senator Stevens expressed his concern about how the AIP proposal would affect access to rural areas in the state. Rural Access projects in Alaska are specifically included in the FAA's overall Flight Plan. In addition, FAA's commitment to funding rural access projects is evidenced by our recent investments. Our current Flight Plan continues this initiative through FY 2011. This serves as our promise to the people of Alaska that we will continue to give high priority to funding Rural Access projects in the state.

Another concern expressed by Senator Stevens was the effect of the President's AIP budget request would have on the Rural Alaska Lighting Program, where aeronautical lighting is provided at remote unlit communities throughout the state. There were 63 locations included in that program. All 63 locations are now fully equipped with either an interim or permanent lighting solution that provides for unconditional 24-hour visual flight rule (VFR) aviation access by emergency medical aircraft. Thirty-one locations have received permanent lighting solutions. The remainder are equipped with a highly effective interim solution. Of those, 14 are expected to receive a permanent solution prior to FY 2010. The remaining 18 have extreme challenges that are likely to delay the

installation of a permanent solution until after 2010. However, the program remains a priority for FAA and we anticipate continuing to fund these projects as scheduled.

Finally, I would like to note that, while our commitment to Alaska's rural communities is firm, at the same time we haven't forgotten Anchorage. Ted Stevens International Airport has received \$14.2 million in discretionary funds to support their Letter of Intent (LOI) projects and noise program. LOIs have the highest priority for discretionary funds and are planned to be fully funded in FY 07 under the President's budget. Also, noiserelated projects are funded from a dedicated pool of discretionary funds. Therefore, we anticipate that Alaska's noise projects will also be funded under the FY 07 proposal.

Obviously, there are lots of important programs and projects going on in Alaska that I haven't touched upon. Alaskans have a lot of energy when it comes to aviation which is why it is always so much fun to visit. I just want to end by saying that I appreciate the people of Alaska, the uniqueness of Alaska and the special working bond that exists here between the FAA and the aviation community. We can take pride that our work here will ultimately benefit the entire country.

This concludes my prepared statement. I will be happy to answer any questions you might have.