



THE ALASKA AIR CARRIERS ASSOCIATION

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AACA partners with national and local groups to advocate for passage of wise federal and state regulations that affect the aviation community.

Following are priorities for 2012.

Priorities for past years can be found on our website: www.alaskaaircarriers.org

STATE

- Adequate Protection of, and Planning for, Airports & Airstrips in Alaska**
- Deterioration of Airports in Alaska**
- Adequate Management of, and Funding for, our Aviation Infrastructure**
- Availability of Adequate Weather Information**
- Government Aircraft in Competition with Private Carriers**
- USPS Mail Issues and Hub Expansion in Alaska**
- Military Operation Area Expansion**
- Medallion Foundation Funding**
- CTAF and Mid-Air Communication Clarity & Consistency**
- Obstruction Permitting, Mapping, Marking, and Lighting**

FEDERAL

- Continued Availability of Leaded Aviation Fuel**
- User Fees**
- Essential Air Service**
- Oxygen Transport**
- Protection of Air Tours/Charters from Excise Taxes and Additional ATMP Fees**
- Crew Resource Management Programs for Part 135 Operators**
- Pilot's Bill of Rights**
- Government Requirements for Excessive Paperwork & Aircraft Tracking**
- ADS-B and Capstone Equipment Installations**
- WAAS (Wide Area Augmented System)**
- Pilot Certificate Equality**

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STATE

Adequate Protection of, and Planning for, Airports in Alaska

BACKGROUND:

Alaska covers approximately 586,000 square miles, with a flight area of over three million square miles, and boasts the largest aviation system in the U.S. The distance from east to west is equivalent to flying coast to coast across the U.S. As Alaska's population grows, and federal regulations continue to be issued, multiple uses and conflicts arise over the use of land and airspace. Adequate planning is vital for airport sustainability.

Existing airports are under scrutiny and feeling pressures from conflicting needs. Comprehensive plans are developed by boroughs and State agencies, and must consider current and future aviation uses to insure protection and continuation of the aviation support structure.

EXAMPLE:

Willow Airport was constructed in 1942 by the U.S. Army. The state assumed ownership of the airport, including Willow Lake, in the early 1960's. The state, through the former Department of Public works and DOT&PF, has held the lake as a seaplane base since that time and began leasing lakeshore lots for aviation purposes in 1978.

Willow Lake is strategically located and used by many air carriers and general aviation owners accessing services at Willow Airport. Willow Lake is the only publicly operated seaplane base in the Mat-Su valley and is vital, serving as a prime departure point to access Central Alaska and as an alternate airport when Lake Hood is unavailable for weather. The State of Alaska receives funds from the FAA, and DOT&PF included Willow Lake as part of the Willow Airport property when applying for AIP grant funding. Additionally, the Willow Comprehensive Plan confirms the importance of aviation as a defining characteristic of both Willow and the Mat-Su borough.

Air carriers and general aviation pilots from Willow Lake are under pressure from lake residents who bought lakeshore property and built residences long after the lake was established as a seaplane base. Alaska State Troopers and the DOT&PF have both been contacted multiple times by aircraft operators regarding conflicts with non-aeronautical users on the lake. The State of Alaska has the authority and responsibility to provide a safe aircraft operating environment on Willow Lake Seaplane Base.

Willow Lake was recently NOTAM closed by the State DOT&PF to winter use by aircraft. This results in strangulation of the commercial enterprises leasing State aviation land on the lake as part of the Willow Airport.

In addition, no comprehensive plan for the future of Willow Airport has been finalized. It is on hold and continues to languish, affecting the airport users, lessees, Willow community, and small business interests who cannot strategically plan because the future and security of the airport is in question.

ACTION:

1. AACAA urged the State of Alaska to diligently fight a specific lawsuit regarding Willow Lake use and sought assurance that the State would arduously defend Willow Lake as a seaplane base. AACAA additionally sought assurance that highway needs do not override aviation needs just to provide a simple solution merely for convenience sake. AACAA applauds the diligence and proactive approach of the Willow Airport Support Group in seeking information and resolution from the DOT&PF. We support the cooperative spirit displayed by the Willow Airport users to organize safe events and work towards sustainability of both the airport, the Willow Winter Carnival, and the Iditarod race, which currently seeks a permanent home for the race restart.

2. Continued advocacy will be vital to protecting the airports in the State. AACAA serves on the work group teams supporting and shaping the Alaska Aviation System Plan and encourages all aviation entities and enthusiasts to become involved whenever and wherever possible, demanding transparency and accountability as part of the process. In addition, the System Plan must move forward to actually planning for the aviation structure in the State, instead of focusing on individual "reports" on peripheral topics.

Adequate Management of, & Funding for, the Aviation Infrastructure

BACKGROUND:

DOT&PF's planning and budget process does not take into consideration complete lifecycle costs for infrastructure and maintenance, nor predictable price increases. In addition, DOT&PF structure lumps resources

for and management of systems together with a resulting inability to plan, maintain and manage each resource to its full potential.

Measurable runway pavement conditions across the State are drastically below federal minimum standards. Of the three regions in the Alaska DOT&PF system, two have pavement conditions below 55 points, where anything below 70 points is considered failing by the FAA. There is no standard measurement for gravel and dirt runways, but we know that their conditions are even worse.

While it takes very few words to describe the problem, it is of paramount importance to the aviation industry and the people of rural Alaska. Over 180 communities (82% of Alaska's communities) rely solely on air transportation as their lifeline for food, supplies, medical support, and emergency response.

ISSUE

The deterioration of runway and taxiway surfaces continues to increase the risk to aircraft and crews, and threatens the safety of many Alaskan communities.

Airport maintenance is challenged by extremes in weather and remote locations, however, these challenges must be met to provide for safe support to Alaskans relying on aviation support. Airport management is challenged by the lack of basic and comprehensive system plans, adequate training, and a skilled contractor workforce.

AACA believes the State of Alaska should establish provisions for dedicated State management and funding of aviation maintenance, operations, and infrastructure improvements and there remain too many unanswered questions regarding funding. Traditionally, fuel tax funds were appropriated for transportation maintenance and operations and should not be mixed into a fund for infrastructure development or capital improvements.

AACA recognizes that capital projects receive attention and maintenance and operations is very unglamorous, however, it is of paramount importance. Capital project development must include recognition of complete life cycle costs and include budgeting commitment for those costs. Currently, Alaska's airports are deteriorating at an alarming and escalating rate.

SOLUTION

A refocus or of DOT&PF needs to occur so that airport funding can be appropriately requested, adequately granted, expenditures accurately tracked, and optimum management of resources can occur.

Availability of Weather Information

PROBLEM #1:

Alaskan aviators fly in a challenging environment that includes extensive mountainous terrain and multiple continually changing weather systems. Pilots in the cockpit have very limited access to changing weather information, and this is crucial to effective decision making.

PROPOSED SOLUTIONS:

(A) Weather cameras have been a significant contribution to improved safety and more cameras are needed. The FAA's current program includes 144 operational sites with plans to expand that number to 221 cameras by the end of 2014. Additional sites are needed as well, and it is crucial that funding be available.

(B) Obstacles to using currently available weather information need to be removed immediately. Multiple agencies are involved in receiving, generating, and approving weather information, and a major disconnect exists in making the information acceptable for pilot use. We would like the delegation to spearhead having these agencies immediately at the table to facilitate the removal of current obstacles: FAA, NWS/NOAA, NASA, & NTSB, UAA, and the State of Alaska.

(C) Technology already exists to capture weather. We need to expand on this technology and combine its potential. Access to weather needs to be available for the pilot and piped directly into the cockpit. This is a paramount need.

PROBLEM #2:

Weather forecasting is over-generalized and often inaccurate. Area forecasts apply to large geographic areas, which may contain multiple micro-climates and active weather systems. In the few situations where specific weather forecasts ("terminal forecasts") exist, these forecasts are routinely inaccurate and slow to be updated when the actual weather conditions have deteriorated below the forecasted conditions. The use of non-specific or inaccurate weather forecasts is an impediment to sound aeronautical decision making.

PROPOSED SOLUTION:

In addition to facilitating the inter-agency effort to improve promulgation of weather information recommended above in (B), charge these agencies with improving the quality of forecast products, including setting goals and measuring their performance in achieving those goals.

Government Aircraft in Competition with Private Carriers

BACKGROUND:

Since formation, AACAA has been dealing with the issue of State and federally owned aircraft operating in competition with the private sector, and we continue to investigate new aircraft uses in the State.

Currently under scrutiny is the use of aircraft on the North Slope, in Katmai National Park, and . In Katmai a deHavilland Beaver has been purchased for Park personnel use, replacing a Cessna 206. The Beaver will assume work that has been provided by local air carriers. For decades the Minerals Management Service has conducted environmental studies off the coast of Alaska, using commercial operators. Two years ago, MMS contracted with NOAA to continue the surveys without putting the contract back out to bid to the private sector.

ISSUE:

Government agencies are required to conduct a thorough cost benefit analysis for any aviation services. While they are regulated under USC Title 43, Chapter 29, Subchapter III, Section 1346, Paragraph F to work with the Department of Commerce for aircraft services, they are also required under OMB Circular A-76 to make a determination in regards to competition with commercial service providers. Government summarization of the Circular states:

- Per OMB Circular A-76 an “Inherently Governmental (IG) function” must be so intimately related to the public interest as to mandate performance by Government employees.
 - Exercise of Sovereign Government Authority
 - “Sovereign” defined as supreme, superior, & independent
 - Exercising ultimate control
 - Substantial, extensive, & independent discretion
 - Has final signature authority
 - Establishment of procedures & processes related to oversight of monetary transactions or entitlements
- All other activities are considered Commercial Activities (CA).

USPS Mail Issues and Hub Expansion in Alaska

BACKGROUND:

Nine years ago, the USPS Rural Services Improvement Act (RSIA) 2002 was established, and a number of Alaskan mail-only air carriers went out of business as a result of changes impacting carrier qualifications to transport bypass mail. It is surprising to be discussing further USPS changes once again. The USPS has proposed an intra-Alaska postal hub expansion further into bush Alaska, announcing intentions to establish ten additional candidate sites. While the designation of these proposed new hubs is conceived to reduce USPS financial losses, the full impacts upon the aviation industry, passenger travel, and the State of Alaska budget must be considered.

Bypass mail is unique to Alaska, with shipments originating in Anchorage and Fairbanks.

As a result of the RSIA 2002 USPS requirements, air carriers were required to transport 20% of the passenger traffic between origin and destination points to participate in the movement of bypass mail. In addition, freight carriers were required to carry 25% of the freight volume for a destination to remain qualified. These RSIA requirements forced mail-only carriers out of business or forced carrier retrenchment into established home bases. These changes were anticipated, based on the premise that the overall transportation network would serve rural residents most favorably.

While there remains considerable debate over the impact of the new law, there are many who believe the overall transportation network throughout rural Alaska is now more stabilized, with existing carriers perhaps more financially stable, yet still financially marginalized. Service is currently provided to 19 regional hubs and from there to over 130 bush locations. Five mainline carriers and over 20 bush carriers participate in the mail program today.

ISSUE #1: Air Carrier Financial Stability

This USPS intra-Alaska hub expansion may allow carriers to consider instituting mainline service from Anchorage into small, isolated bush communities bypassing existing hubs. This change will force bush air carriers to decide whether to forgo a percentage of their mail share or to operate out of designated bush communities

named in the expansion to maintain their revenue stream. While the decision to enter into the new market or remain at an established hub will be motivated by financial and operational considerations, the burden to build an infrastructure for the public good will fall solely onto the bush air carriers electing to participate in the hub expansion or to a village enterprise.

In today's financial environment, lending institutions are conservative or strapped in their ability to provide long term financing. It thus becomes very difficult for carriers to build facilities to support new hubs in the bush. Carriers cannot construct public facilities without long term financing and financial institutions are not willing to extend financing beyond the useful life of an asset, which is normally about 10 years. Long term loans negatively impact the balance sheet of carriers and further marginalize their financial position, jeopardizing their ability to remain a viable organization for the benefit of the public and the USPS.

The USPS postal policy regarding new hubs seems to be a moving target, compromising industry stability. Air carriers have little assurance that an investment made to build terminal or storage facilities at the newly announced hub will remain for the duration of their financial note. This is a tremendous risk for already financially marginalized entities--an expansion one day could easily be a retrenchment the next!

ISSUE #2: Maintenance and Operations Costs

The USPS intra-Alaska hub proposal does not consider current infrastructure—runways and facilities—or the lack thereof. Runway lengths at many new hub candidate airports are too short for mainline carriers. Hub candidate considerations do not take into account deicing, fueling, and sanding needs for the carriers to operate at the destination hub airports. The lack of suitably filled vacant lease lots for air carrier use would require State planning and action.

Designation of a new hub would require the movement of State funds to upgrade a new hub, and would divert funding from other critical—possibly life safety—needs elsewhere in Alaska. The burden for construction or improvements falls simultaneously to the State DOT and to the federal government, and these costs must be borne so that any current and existing safety considerations are not shifted from one project to another.

ISSUE #3: Safety

A 1995 safety study conducted by The National Transportation Safety Board recognizes that the current USPS performance standards for the transportation of bypass mail on commercial flights in Alaska exerts pressure on some aviation operators because the USPS performance standard is based on the completion of individual flights (NTSB/SS-95/03, Page 73, Findings). Although air carriers today have strict operational safety standards, the transfer of oversight responsibility from an established hub to a more remote hub could have negative consequences to all safety improvements made since 1995. As carrier operations move further away from a controlled environment, such as exists in current established hubs, to a more remote site where a single pilot with one single-engine aircraft could be based with oversight provided solely by a postal ramp clerk or remotely by telephone to management personnel, there can be unnecessary pressure to move bypass mail rather than to give safety the first consideration. This pressure can negatively impact our aviation accident rate. In addition, this type of operation also goes against the recommendation of the USPS safety board, which called for the establishment and implementation of a broader, more flexible performance standard for bypass mail transportation that relieves direct performance pressure on individual flights (NTSB/SS-95/03, Page 80).

CONCLUSION

The cost of building and maintaining both facility and runway infrastructure and requisite safety compromises far outweighs the monetary savings to the USPS by initiating hub expansion in Alaska. Because of these opportunity costs to other organizations, we oppose the USPS intra-Alaska hub expansion proposal.

Military Operation Area Expansion

BACKGROUND:

The US Army and US Air Force through the Alaska Command are preparing an Environmental Impact Statement (EIS) to analyze impacts associated with the modernization and enhancement of training areas in the Joint Pacific Alaska Range Complex (JPARC). The purpose of this project is to modernize the capabilities of JPARC to more effectively meet the needs of the military units. The JPARC Alaska Command has proposed significant expansion of Military Operations Areas which will have far reaching effects across multiple segments of Alaska's communities and industries, which include hunting, tourism, commerce, and aviation.

We understand the military need for realistic training and testing of combat systems. There are numerous Part 91, 135 and 121 operators in both Fairbanks and Anchorage that will be affected if the JPARC MOA extensions are applied as proposed. Safety has to be the top priority.

ISSUES:

Communication. In the 1990's when the current MOA was established and expanded, communication between the military and civilian aircraft moving through the area was a top priority. Commitments were made by the military to establish repeaters in eastern Alaska to facilitate that safety communication. One repeater was installed at Dot Lake and functioned for a few months. No other repeaters were installed, and the Dot Lake repeater was not repaired and made functional. The lack of communication, lack of information, and mis-information has resulted in routine near misses between military and civilian aircraft.

Evolution of Civilian Aircraft and Access. Technological changes in aircraft and infrastructure have resulted in expanded usage of IFR operations and instrument approaches that may not be usable during significant portions of time. Proposed expansion will interfere with air traffic into and out of Fairbanks. Air traffic controllers and the FAA must be involved extensively in analysis of the impacts upon established routes and approaches. GPS and RNAV developments must be considered.

Community Access. Four villages currently cannot be accessed during operations and expansion will affect an extensive area of Alaska. Circle, Central, Eagle and Chalkyitsik are within, or have restricted access through, current MOA boundaries. Access to these communities should be allowed by establishment of IFR corridors to protect public safety.

Evolution of Military Aircraft. Military aircraft are now faster and sonic booms occur much more frequently. Civilian aircraft have had windows shattered and cracked from military aircraft coming close, when civilian aircraft were told no military aircraft were in the area. The sonic booms certainly impact hunters, guides, hikers, lodge owners/guests, and wildlife.

Unmanned Aerial Vehicles. UAVs must be transparent to civilian aircraft using the same airspace. These vehicles crossing civil navigation routes and training areas without visibility will create a significant safety hazard. Pilots would like them equipped with operational transponders or kept out of airspace with other aircraft

Wildlife Management, Hunting and Recreational Use. The proposed 500 feet AGL areas will have significant impact on wildlife, hunting, recreational use, lodges, and tourism. Civilian aircraft operations are already experiencing frequent contacts with military aircraft at low altitudes. Outdoor recreation, hunting, and the wilderness experience personify Alaska. Military large-scale exercises must be scheduled to not occur during hunting and high-use seasons.

SOLUTION:

It is paramount that a comprehensive workgroup is formed that includes aviation interests and commerce, tourism, wildlife management, hunting, and local government representatives. This extensive expansion will have far-reaching effects and a collaborative group of users is needed to alleviate unwanted consequences.

Previously, the military worked with the civilian community to proactively solve potential problems during development and the U.S. Air Force was able to use successes in Alaska as a model in the Lower 48. That cooperative approach has not continued. The predictable turnover in military leadership in Alaska results in a lack of continuity and the necessity to re-establish lines of effective communication. It is our hope that an effective advisory group can be formed and can function to our mutual advantage.

CURRENT STATUS:

Since the January 2011 scoping meetings, there have been a number of modifications to the JPARC EIS Proposed Actions and they include:

- **Proposal 1**, the mitigation measures developed in the 1997 Alaska MOA Record of Decision (ROD) will be integrated into the Proposed Fox 3 MOA Expansion and New Paxon MOA alternatives.
- **Proposal 2**, Proposed Live Ordinance Delivery, Alternative C was removed from further consideration.
- **Proposal 3**, Proposed Joint Combined Live Fire (JCALF), which addresses both the expansion of R-2205 and creation of a restricted area over the Battle Area Complex, will be considered under separate actions.
- **Proposal 4**, Proposed Night Joint Training, Alternative A, was removed from further consideration.
- **Proposal 5**, Proposed Remotely Piloted Aircraft (RPA)/Unmanned Aerial Vehicle (UAV) access including the corridor altitudes, frequency, and duration of use are still under consideration.

Proposal 6, Proposed Enhanced Access to Ground Maneuver Space, addressing access to Tanana Flats Training Area (TFTA) and Blair Lakes Impact Area (BLIA) continue as definitive and programmatic analyses. Definitive analysis implies immediate implementation following the ROD and Programmatic analysis implies future planning and resources are required prior to implementation.

- **Proposal 7**, Proposed Joint Air-Ground Integration Complex (JAGIC)
- **Proposal 8**, Proposed Intermediate Staging Bases (ISBs)
- **Proposal 9** Proposed Missile Live Fire in Gulf of Alaska, and
- **Proposal 10** Proposed Joint Precision Airdrop System (JPADS) Drop Zones are other programmatic actions being considered.

On August 31 an ad-hoc meeting was held between military officials and members of the public, agencies, industry groups and others to begin discussions on specific issues and potential mitigations to the proposed JPARC actions. At this meeting, the Alaska Command agreed to publish aeronautical sectional maps depicting the JPARC proposed actions. This will facilitate identification of potential aeronautical impacts. After receiving new maps, membership input will be needed, with specific emphasis on the following:

- IFR access to public and private use airports.
- VFR access to backcountry airstrips on public and private land.
- RPZ/UAV corridor impacts.

FEDERAL

Continued Availability of Leaded Aviation Fuel

BACKGROUND:

The EPA issued an NPRM* regarding the elimination of all leaded avgas. While research and development is continuing, no viable substitute is on the horizon for aircraft engines to effectively function in Alaska's climate. ASTM approved the 91/98 unleaded avgas specification which could replace 30% of the 100LL used in the US. In addition Continental is working on 94UL, which is essentially 100LL without the lead added as an octane enhancer. This product is not effective in higher compression engines. *EPA-HQ-OAR-2007-0294, Fed. Register Vol 75 No 81 Pg 22440.

Regulation of leaded aviation fuels will most drastically affect the State of Alaska and her people. Our remote communities, inhabited predominantly by low income minorities, rely upon air transport for all support and services. These people are the least able to gather data and formulate a response in a short period of time. Alaska consumes an estimated 1/3 of the avgas and is utterly dependent upon the availability of a high performance fuel to operate its transportation infrastructure.

Alaska has the largest aviation system in the US, which includes 700 airports and 1,200 airstrips. Over 10,000 piston engine aircraft are registered in the State of Alaska. These aircraft are the backbone of transportation for the State. Eighty-two percent of our communities are not accessible by road and rely on air transport for all life sustaining goods and services. Alaska's people travel by air eight times more often per capita than those in the Lower 48, and ship 39 times more freight per capita—nearly one ton per person per year.

ACTION:

AACA is teamed with other stakeholders and has a seat on the FAA Advisory Rulemaking Committee. Robert Ragar representing Alaska and AACA (who is a member of the Clean 100 Octane Coalition) is serving on the FAA's rulemaking group (UAT-ARC). Robert works for Everts Air, an operator of various high performance aircraft, including those powered by radial engines. Robert brings an acute awareness of the need for a drop-in, or near drop-in, replacement fuel for 100LL.

User Fees

BACKGROUND:

User fees continue to be placed on the table in spite of both Senate and House opposition, as the cyclical lawmaking process continues in Washington DC. Twice in 2011 President Obama has included them in discussion and plans to reduce the budget deficit. Most recently the proposal on the table is for a \$100 tax per flight, including the general aviation community.

Aviation contributes via an per-gallon fuel charge. Through the years this process has been studied by both the Senate and House, and found to be both the most efficient and practical means of revenue collection for aviation.

ISSUE:

A per-flight tax will impose a significant new administrative burden on operators and necessitate the creation of a new federal collection bureaucracy. Of the many foreign countries that have imposed per-flight charges on all aviation, none have escaped the decimation of general aviation and the devastation of commercial aviation.

Loss of Aviation Safety: Charging for individual use of system resources could easily lead to pilots attempts to control cost, with a profound adverse impact on aviation safety. This would discourage proficiency flying, where pilots conduct practice approaches, landings and take off's and other maneuvers to sharpen and retain skills.

Alaskan Residents Disproportionately Impacted: Alaska relies on aviation for basic transportation more than any other state. Residents living outside the largest cities, and rail belt area rely almost exclusively on aviation for basic transportation, movement of mail, groceries, supplies and medical evacuation. Passengers and freight are often transported in smaller aircraft flying longer route segments than elsewhere in the country. Depending on the specific fee structure developed, it is likely that a direct "pay for segment" system would add a disproportionately high cost to rural residents in comparison to other parts of the country where freight and passengers are transported on larger aircraft. Larger aircraft with more passenger seats and/or cargo hauling capacity allow these costs to be spread over a larger volume of customers.

Loss of Congressional Oversight: Another part of a user fee plan is to remove Congress from exercising oversight of the FAA. Alaska has historically had to appeal to our congressional delegation when rules generated in Washington were adopted, without adequate understanding of the impact on Alaska. While handling aviation issues through our delegation is not our preferred way of doing business, to lose the ability to appeal rules and regulations that are untenable would have a negative impact on Alaska residents.

User Fees are Expensive to Collect: There is a well established system for collecting fuel and ticket taxes. Shifting to a user fee system would require the development of a new bureaucracy just to track, bill and process these fees. Cost of the collection system itself could escalate the user fees needed to pay for the system. The current system is both efficient and inexpensive.

Alaska Legislature and Executive Branch Opposed: The Alaska Legislature unanimously passed and the Governor signed a resolution opposing user fees, when this issue was before Congress in 2007. Legislative Resolution 2007-8 opposed user fees.

ACTION:

AACA joins NATA, NBAA, AEA, AOPA, EAA, GAMA, HAI, NASAO, and ICAS* in opposing user fees and encourages members to write our senators and congressman to submit precise statements on the impacts such fees would make on their financial viability.

* National Air Transportation Association, National Business Aviation Association, Aircraft Electronics Association, Aircraft Owners and Pilots Association, Experimental Aircraft Association, the General Aviation Manufacturers Association, Helicopter Association International, National Association of State Aviation Officials, and International Council of Air Shows

Essential Air Service

BACKGROUND:

The Essential Air Services (EAS) program allows 45 communities in Alaska to be connected to life sustaining services. Alaska holds approximately 1/3 of the communities served under EAS contracts, however, expenses to serve these 45 communities are less than 10% of the EAS program.

ISSUE:

Economic conditions have driven legislators to search for potential cost savings cuts across many government agencies, and the EAS program has come under scrutiny multiple times in the past few years.

Alaska has the largest aviation system in the US, which includes 700 airports and 1,200 airstrips. Over 10,000 aircraft are registered in the State of Alaska. These aircraft are the backbone of transportation for the State. Alaska is served by 304 certificated carriers, of which over 90% employ less than 10 employees.

Eighty-two percent of our communities are not accessible by road and rely on air transport for all life sustaining goods and services. Alaska's people travel by air eight times more often per capita than those in rural areas of the Lower 48, and ship 39 times more freight per capita—nearly one ton per person per year.

ACTION:

AACA has provided support to the delegation during recent attacks on EAS, calling for carrier data and a letter writing campaign in defense of the essential nature of these services for sustainability of Alaska's communities. We anticipate continued attacks on the program and will support our delegates as they defend Alaskan aviation.

Oxygen Transport**BACKGROUND:**

The Pipeline and Hazardous Materials Safety Administration (PHMSA) in 2007 issued new regulation on the air transport of oxidizing gases. Limited special permits have been obtained by 18 Alaskan air carriers. The new regulation requires the use of heavy, bulky thermal over packs which have been available only for small compressed gas cylinders, increasing transportation costs up to six fold. These over packs are very expensive, \$800 to \$8,000 each, and not viable for transport in small aircraft, which comprise a substantial portion of the Alaskan rural fleet.

Until April 2010 thermal over packs were not being made for the large cylinders used by most of the clinics and hospitals in rural Alaska.

The regulation is also worded in such a way that it is confusing to many small carriers and medical patients requiring in-flight oxygen use are being turned away.

ACTION:

AACA worked with carriers, PHMSA, and the FAA to ensure extensions are issued for the special permits. In addition we coordinated with our Congressional Delegation to obtain relief from the new regulation and expect their efforts to be fruitful this year when the FAA Reauthorization bill is finally passed.

To mitigate confusion, AACA is developing educational materials for use by the carriers and rural medical professionals outlining appropriate transport of patients requiring oxygen for use in-flight and at destination.

Protection of Air Tours/Charters from Excise Taxes and Additional ATMP Fees

Section 806 of the FAA Reauthorization bill contains language to remove the exemption for small aircraft (<6,000 lbs) from paying excise tax for operations on non-established lines and subjects air carriers to IRS interpretation of their operations. Section 709 imposes fees on air tour operators for air tour management plans.

ACTION:

AACA joins Congressman Young and tour operators in opposing the inclusion of this language in the FAA Reauthorization bill. Additional taxes and fees will serve no viable benefit and impose an unfair burden.

ADS-B and Capstone Equipment Installations**BACKGROUND:**

Capstone I and Capstone II proved the success of ADS-B technologies when they were implemented and tested in SE and SW Alaska. This momentum is being lost and must be expanded to general aviation, which has not benefited from its existence.

SOLUTION:

It is important to note that when introduced, Capstone was to include three items: terrain avoidance, traffic awareness, and weather information. Weather is not yet included and is vital for safe decision making (see Item II above).

WAAS (Wide Area Augmented System)**PROBLEM #1:**

Enroute navigation and air travel in and out of airports in the North Slope region of Alaska recently sustained a major setback. Their reliance upon the WAAS technology to facilitate vertically guided landings and take offs and to provide navigation on enroute Q and T Routes has been lost because a WAAS GEO satellite orbit is not operational. While it is true that LPV (localized performance with vertical guidance) approaches are not yet published for 16 airports in this affected region, there is still a degradation of service for those aircraft who are currently WAAS-equipped.

Because of this degradation of service, without satellite-based navigation, air travel in and around the 16 airports, as well as enroute, will be more hazardous, especially during inclement weather. Previously, WAAS-equipped aircraft who flew enroute T routes could descend out of icing conditions to a lower MEA (minimum enroute altitude). Without the WAAS availability, aircraft are restricted and may not be able to descend low enough to fly out of icing conditions.

According to a published FAA NOTAM, it is also expected that temporary interruptions to WAAS service throughout Alaska can occur with the loss of the satellite.

SOLUTION:

The FAA and NOAA must review the current contract with requires the contractor offering this service to replace the satellite. A near-term solution may be available, but it is important that WAAS service be provided on a replacement satellite to be launched in 28 months. The FAA should not be allowed to let WAAS service slip further than this launch.

PROBLEM #2:

The 16 North Slope airports affected by the loss of the WAAS geostationary satellite, which provided coverage in that region, have not lost the availability of existing GPS approaches at those airports, since they do not yet have published LPV approaches.

However, there are many airports throughout the state which still do not have any type of published instrument approach. This forces both commercial operators and individual pilots to choose between the risk of accessing these communities using visual flight rules (VFR) in marginal weather, or postponing flights and risking the loss of business to other operators who choose to operate VFR in marginal weather. With the advent of relatively inexpensive GPS approaches, no operator or individual pilot who is properly equipped and trained for instrument flight (IFR) should be faced with that choice.

SOLUTIONS:

- (A) Work with the FAA to streamline and accelerate the pace of LPV approach development in Alaska. Advocate for special Alaska-based exemptions to FAA standards, such as airport survey requirements, where these standards ultimately impede safety by delaying the development of LPV approaches. These exemptions could be predicated on the "equivalent level of safety" concept, using risk mitigation strategies such as approach specific special aircraft/ aircrew qualification requirements.
- (B) Challenge the FAA to assess not just capacity improvement, but actual safety improvement when deciding where to allocate resources for IFR infrastructure. For example, the FAA should consider establishing LPV approaches, including weather reporting, at smaller community airports where terrain and weather factors increase risk, before larger airports that may be accessed via instrument approaches at nearby IFR airports across level terrain.
- (C) Work with the State of Alaska to upgrade more airports to IFR capability. Identify airports in areas not presently served by IFR approaches. For example, the nearest public airport to Sleetmute (PASL) with an IFR approach is 68 nautical miles away, across mountainous terrain in Aniak.
- (D) Lobby for increased autonomy for the Alaska Region of the FAA. Air transportation in Alaska is unique because it is essential, not discretionary, and because of the extremes of weather, terrain, and distances. FAA officials in Oklahoma City or Washington DC, who can simply get in their cars and drive when they need essential goods and services, should not be making decisions about which communities in Alaska should gain the accessibility and safety improvements afforded by GPS approaches and other IFR infrastructure improvements.
- (E) Lobby for the same WAAS GEO satellite coverage as the Lower 48 states. The leasing of GEOs should be an ongoing program, given the nature of a satellite's life and given the possibility of additional unexpected WAAS GEO satellites similar to the present GEO outage. Impending predicted solar storms will only exacerbate this GEO outage problem.

Medallion Foundation Funding

BACKGROUND:

The mission of the Medallion Foundation is to reduce aviation accidents in Alaska by fostering a new safety culture and promoting higher safety standards through research, education, auditing and advocacy.

Since formation, the Medallion Foundation significantly contributed to reducing aviation mishaps and creating an aviation safety culture in Alaska. More than 100 air carriers and 800 general aviation operators have actively participated in Medallion programs. Commercial aviation accidents have been reduced by 39%.

The Medallion Foundation's safety programs are unlike any other for the following reasons:

1. They are available to, and being used by, all segments of aviation in Alaska including general aviation flight instructors and pilots; commercial operators from single pilot Part 135 carriers up to Alaska Airlines and

Part 121 carriers, and Part 91 and Part 125 operators; and federal entities like the Federal Aviation Administration operations inspectors, BLM, Park Service, and US Fish and Wildlife Service.

2. The State of Alaska, some federal agencies in Alaska, and some major tour companies also rely on Medallion safety programs to enhance the safety of their operations.
3. Every single community in Alaska is served by one or more commercial operators that are using the Medallion safety programs to enhance the safety of their operations.
4. Medallion operates and maintains a state wide system of flight simulators used by pilots to learn to recognize and avoid the causes of aircraft accidents before they happen.
5. Medallion personnel provide onsite one-on-one mentoring to each of the participating commercial air carriers in the development, implementation and maintenance of improved safety programs.
6. Medallion developed the first and only full motion super cub simulator in the world that is approved by the FAA to be used in pilot training and safety enhancement.
7. Medallion personnel provide initial and recurrent training in risk management and accident investigation to all participating commercial air carriers state wide.
8. Medallion personnel provide initial and recurrent annual system safety training to all Alaska carriers participating in the program.
9. Medallion operates and maintains the only FAA-approved Aviation Safety Action Program (ASAP) approved for Part 135 operators in the United States. This program is a safety-enhancement tool that helps operators identify problems that would otherwise go unresolved.
10. Medallion is assisting in the development of the next level of commercial aviation safety through a voluntary Safety Management Systems (SMS) program, and developing a model SMS for small operators.
11. Medallion is working with the FAA to develop a new safety training tool to enhance air tour operations safety in Ketchikan and Juneau. This new process, called visual cue based training, is being developed at the recommendation of the NTSB. Once done, the new tool will be expanded to other air tour areas in Alaska, and other states such as Hawaii.

ISSUE:

Previous support for the Medallion Foundation was obtained through grants from the FAA, with funding from federal earmarks. These funding sources are no longer readily available, and are short term in nature.

Sustaining the Medallion Foundation is vital to ensure positive impacts on aviation safety. The thirty-seven air carriers currently in the Medallion safety program serve 100% of the communities in Alaska. Their voluntary participation in the Medallion safety program results in a higher level of air safety for all of Alaska's communities and for our residents who fly on these carriers. Continued work of the Foundation will allow the participation of more air carriers and continued improvements in aviation safety for the citizens of Alaska.

ACTION:

AACA is working with Congressional delegates and the State of Alaska to obtain long-term, sustainable funding allocation to continue the work of the Medallion Foundation, and to ensure positive impacts on aviation safety in the State of Alaska and the rest of the United States. Financial support of this worthwhile aviation program must continue.