

AVIATION POLICY, PLANNING AND ENVIRONMENT

FEDERAL AVIATION ADMINISTRATION
Fiscal Year 2004 Business Plan



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TABLE OF CONTENTS

INTRODUCTION.....	3
INCREASED SAFETY	4
Flight Plan Objective 1: Reduce the number of fatal accidents in general aviation.....	6
Flight Plan Objective 2: Ensure the safety of commercial space launches.	7
GREATER CAPACITY	8
Flight Plan Objective 1: Increase airport capacity to meet projected demand.	10
Flight Plan Objective 2: Increase or improve airspace capacity in the eight major metropolitan areas and corridors that most affect total system delay: New York, Philadelphia, Boston, Chicago, Washington/Baltimore, Atlanta, Los Angeles Basin, and San Francisco	11
Flight Plan Objective 3: Increase on-time performance of scheduled carriers.....	12
Flight Plan Objective 4: Address environmental issues associated with capacity enhancements.....	13
INTERNATIONAL LEADERSHIP.....	18
Flight Plan Objective 1: Promote seamless operations around the globe in cooperation with bilateral, regional, and multilateral aviation partners.	20
ORGANIZATIONAL EXCELLENCE	22
Flight Plan Objective 1: Make the organization more effective with stronger leadership, increased commitment of individual workers to fulfill organization-wide goals, and a better prepared, better trained, diverse workforce.	24
Flight Plan Objective 2: Control costs while delivering quality customer service.....	26
Flight Plan Objective 3: Make decisions based on reliable data to improve our overall performance and customer satisfaction	28

INTRODUCTION

The Office of Aviation Policy, Planning, and Environment (AEP) provides critical support to the Administrator and FAA organizations in two major program areas:

- (1) planning and policy development and
- (2) environment and energy programs.

AEP accomplishes its goals by being the agency's focal point for strategic plan development and coordination; by identifying policy issues, and by developing, recommending and coordinating national aviation policy related to FAA authority; national airport and airway system development, operation, and finance; and environmental and energy matters. It is responsible for forecasting aviation activity to be incorporated in FAA plans and evaluating proposed and final FAA rules to assure that there is reasonable likelihood that anticipated benefits of rulemaking exceed costs. This office also supports the Management Advisory Council (MAC) in its statutory oversight of the FAA in general and the emerging performance-based Air Traffic Organization in particular. It is responsible for developing national aviation policy relating to environmental and energy matters. This includes representing the United States in development of international standards relating to aircraft noise and engine emissions in international forums. The office is also responsible for providing policy guidance and technical assistance for FAA compliance with applicable

environmental, occupational safety and health and energy statutes and regulations prescribing Federal environmental protection, worker protection, and energy conservation policies. AEP does this in close coordination with other FAA organizations and, where appropriate, external stakeholders.

The AEP Business Plan highlights the direction of the AEP organization in 2004. We plan to support agency initiatives in all of the goal areas, while concentrating our major efforts in Capacity and Organizational Excellence.

Under the Safety and Capacity goal areas, we plan to assure that our policy and economic analysis programs support safety and capacity-enhancing initiatives of the agency, and that the agency benefits from superior decision support tools and innovative mitigation approaches that it needs to ensure responsive strategies that allow aviation to grow in an environmentally responsible manner.

Our activities under the goal of Organizational Excellence revolve around supporting agency initiatives to help employees see the link between their jobs and agency goals. We also aim to facilitate agency efforts to reduce the number and costs of work-related FAA employee injuries and illnesses.

The Office of Aviation Policy, Planning, and Environment Business Plan follows.

INCREASED SAFETY



OVERVIEW

Under the Safety goal areas, the Office of Aviation Policy, Planning, and Environment (AEP) plans to assure that our policy and economic analysis programs support safety initiatives of the agency, and that the agency benefits from superior decision support tools and innovative mitigation approaches.

This Office contributes to the following strategic Safety Objectives outlined in the FAA 2004-2008 Flight Plan:

SAFETY OBJECTIVES

1. Reduce the number of fatal accidents in general aviation.
2. Prevent commercial space launch accidents.

A more detailed description of each Objective, including its supporting Initiatives and Performance Targets follows.

FLIGHT PLAN OBJECTIVE 1: REDUCE THE NUMBER OF FATAL ACCIDENTS IN GENERAL AVIATION.

FY04 PERFORMANCE TARGETS

Reduce the number of general aviation and nonscheduled Part 135 fatal accidents to 349.

Flight Plan Initiative 1. (AEP Supports)

Continue to implement General Aviation Joint Steering Committee (JSC) initiatives and pursue joint identification and analysis of safety issues within JSC.

Performance Target: Field the initial General Aviation and Air Taxi Activity Survey containing JSC recommended improvements by April 2004.

Performance Target: Provide preliminary General Aviation Activity estimates by September 2004.

FLIGHT PLAN OBJECTIVE 2: ENSURE THE SAFETY OF COMMERCIAL SPACE LAUNCHES.

FY04 PERFORMANCE TARGETS

- Ensure zero fatalities or serious injuries to the uninvolved public during commercial space launch or reentry activities.
- No significant damage to property that is not associated with the flight during commercial space launch or reentry activities.

Flight Plan Initiative 1. (AEP Supports)

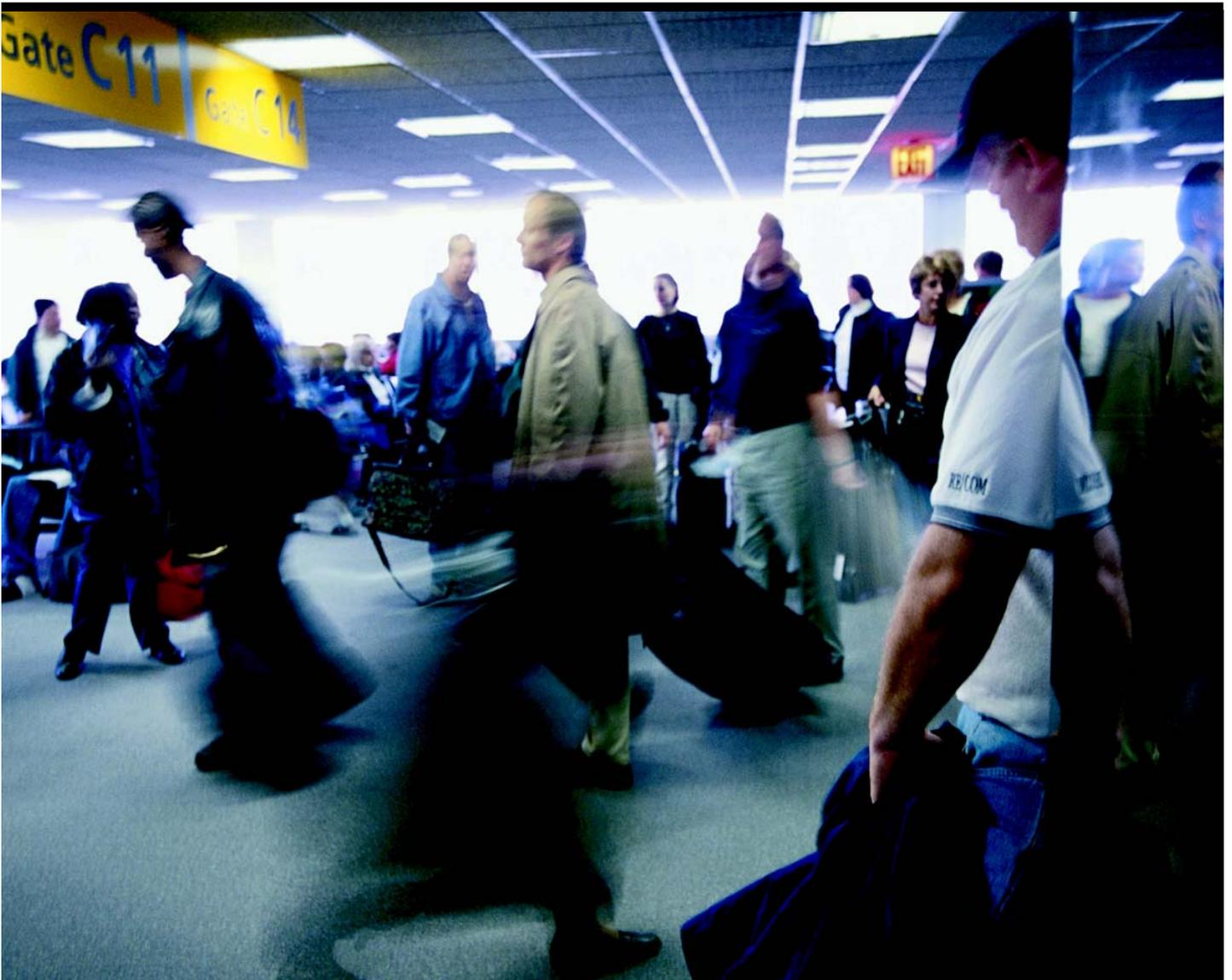
Issue a licensing and safety requirements rule for launches from non-federal and federal launch sites.

AEP Activity

- A. Perform an economic assessment of a final rule on licensing and safety requirements for launches from non-federal and federal launch sites in accordance with the established rule-making schedule.

Performance Target: completion by February 27, 2004.

GREATER CAPACITY



OVERVIEW

Since the Office of Aviation Policy, Planning and Environment is responsible for developing national aviation policy relating to environmental and energy matters, AEP will be concentrating much effort in the Capacity arena. This includes representing the United States in development of international standards relating to aircraft noise and engine emissions in international forums. The office is also responsible for providing policy guidance and technical assistance for FAA compliance with applicable environmental, occupational safety and health and energy statutes and regulations prescribing Federal environmental protection, worker protection, and energy conservation policies. AEP does this in close coordination with other FAA organizations and, where appropriate, external stakeholders.

This Office contributes to the following strategic Greater Capacity Objectives outlined in the FAA 2004-2008 Flight Plan:

GREATER CAPACITY OBJECTIVES

1. Increase airport capacity to meet projected demand.
2. Increase or improve airspace capacity in the eight major metropolitan areas and corridors that most affect total system delay: New York, Philadelphia, Boston, Chicago, Washington/Baltimore, Atlanta, Los Angeles Basin, and San Francisco.
3. Increase on-time performance of scheduled carriers.
4. Address environmental issues associated with capacity enhancements.

A more detailed description of each Objective, including its supporting Initiatives and Performance Targets follows.

FLIGHT PLAN OBJECTIVE 1: INCREASE AIRPORT CAPACITY TO MEET PROJECTED DEMAND.

FY04 PERFORMANCE TARGETS

- Achieve an Airport Arrival Efficiency Rate of 95.67% at the 35 OEP airports.
- Achieve an Airport Arrival Capacity at the 35 OEP airports in excess of 51,332 per day.
- Open two new runways, while increasing the annual service volume (ASV) of the 35 OEP airports by at least 1%.
- Sustain Operational Availability at 99% for the reportable facilities that support the 35 OEP airports.
- Build stakeholder support for R&D funding transition of technologies to address environmental impacts.
- Develop tools to understand the relationship between noise and emissions and different types of emissions.
- Improve data on the environmental benefits, technological feasibility, and economic reasonableness of technologies and other measures to support sound and cost-effective decision-making.
- Advance aircraft noise and emissions mitigation activities of new environmental Center of Excellence (COE) with stakeholder contributions.

Flight Plan Initiative 1. (AEP Supports)

Establish financial benchmarks to evaluate whether initiatives are successful.

AEP Activity

- A. Develop draft pilot guidance for evaluating the economic success of capacity enhancing initiatives. Identify specific initiatives against which to test the guidance.

Performance Target: Complete by September 30, 2004

FLIGHT PLAN OBJECTIVE 2: INCREASE OR IMPROVE AIRSPACE CAPACITY IN THE EIGHT MAJOR METROPOLITAN AREAS AND CORRIDORS THAT MOST AFFECT TOTAL SYSTEM DELAY: NEW YORK, PHILADELPHIA, BOSTON, CHICAGO, WASHINGTON/BALTIMORE, ATLANTA, LOS ANGELES BASIN, AND SAN FRANCISCO

FY04 PERFORMANCE TARGETS

Achieve an Airport Arrival Capacity for the 8 major metropolitan areas of 21,290 per day.

Flight Plan Initiative 1. (AEP Leads)

Work with the user community to establish the most feasible capacity-enhancing policies.

AEP Activity

- A. Establish a regulatory docket and issue a Federal Register notice to solicit comments from the user community on capacity-enhancing policies. After reviewing and analyzing the comments received, conduct a forum to discuss and debate them publicly. Based on this forum, construct an agenda of specific capacity-enhancing policies to be further analyzed and modeled.

Performance Target Issue Federal Register notice by January 31, 2004. Initiate forum by June 1, 2004. Finalize agenda by Sept 30, 2004.

- B. Facilitate decision by the Administrator on extension of the La Guardia AIR-21 slot exemption lottery. Identify and evaluate specific potential allocation mechanisms (administrative and auction) to replace the high density rule at La Guardia Airport, obtain stake holder reaction, and recommend specific process for implementation to the Administrator.

Performance Target: Decision on extension of AIR-21 slot exemption lottery by January 31, 2004. Recommend specific allocation process to replace LA Guardia high-density rule by September 30, 2004.

FLIGHT PLAN OBJECTIVE 3: INCREASE ON-TIME PERFORMANCE OF SCHEDULED CARRIERS.

FY04 PERFORMANCE TARGETS

Increase the percentage of all flights arriving within 15 minutes of schedule at the 35 OEP airports to 82.10%.

Flight Plan Initiative 1. (AEP Supports)

Validate and analyze statistics from the DOT's Delay Reporting System to identify and remedy causes of delay within the FAA's control.

Performance Target: Validate Airline reported causes of delay by matching delays assigned to National Aviation System (NAS) to FAA's delay reporting system (OPSNET) and identify those that do not match by January 15, 2004.

Performance Target: Incorporate airline-provided causes of delays and cancellations into Aviation System Performance Metrics (ASPM) so that analysis can be performed by airport, airline, and time of day by June 15, 2004.

FLIGHT PLAN OBJECTIVE 4: ADDRESS ENVIRONMENTAL ISSUES ASSOCIATED WITH CAPACITY ENHANCEMENTS.

The adverse environmental by-products of aviation, primarily noise and emissions, are major constraints on the growth of aviation. Public concerns over the environmental impact of aircraft and airport operations, as well as increasingly stricter requirements embodied in laws and regulations, can severely constrain the ability of the aviation system to meet the world's need for mobility, increased trade/market access, and sustained economic growth. A bold vision of the future is key to ensuring a safe, environmentally friendly expansion of the aerospace infrastructure.

FY04 PERFORMANCE TARGETS

- Reduce the number of people exposed to significant noise to 400,000, as measured by a three-year moving average, from the three-year average for calendar year 2000-2002.
- Improve aviation fuel efficiency per revenue plane-mile by 1%, as measured by a three-year moving average, from the three-year average for calendar year 2000-2002.

Flight Plan Initiative 1. (AEP Leads)

Conduct research and develop analytical tools to understand better the relationship between noise and emissions and different types of emissions.

AEP Activity

A. There is a great need for superior decision support tools that enable an interdisciplinary approach to assessing impacts and interrelationships. These tools must give decision-makers, including the aviation industry, government, and the public, the information they need to ensure responsive strategies that allow aviation to grow in an environmentally responsible manner. The aviation industry needs to analyze the noise and emissions interdependencies in their design or operational decisions. Government agencies need to assess the noise and emissions interrelationships of proposed environmental actions and policy decisions. The public needs reliable and clear information on noise and emissions impacts to interact effectively on decisions that could affect health and welfare.

Performance Target: In concert with the Transportation Research Board conduct a workshop on developing an aviation environmental design tool by December 2003.

Performance Target: The workshop committee will prepare a report on the views of the participants, and its own assessment of the needs, opportunities, and challenges by March 2004.

Performance Target: The FAA will prepare a work plan, including cost and schedule, for developing an aviation environmental design tool by June 2004.

Performance Target: The workshop committee will organize a second workshop to introduce the same cross-section of stakeholders to the work plan developed by the FAA and to seek comments and responses from that community by August 2004.

Performance Target: The committee will prepare a brief letter report summarizing the stakeholders' reaction with its own comments and suggestions by September 2004.

Flight Plan Initiative 2. (AEP Leads)

Along with stakeholders, increase aircraft noise and emissions mitigation activities at the new environmental Center of Excellence (COE).

AEP Activity

A. The Federal Aviation Administration (FAA) has set up the Air Transportation Center of Excellence (COE) for Aircraft Noise and Aviation Emissions Mitigation. The goal of this endeavor is to create a cost-sharing partnership of academia, industry, and government that will initially focus on aircraft noise and aviation emissions mitigation. The COE will forge a union of public (such as FAA, airport authorities, state and local governments), private (such as airlines and manufacturers), and academic institutions. The idea is to create a world-class consortium that will identify solutions for existing and expected airport noise problems. The FAA expects the COE will perform basic research through engineering development and prototyping.

Performance Target: Establish Cooperative agreements with the eight COE member Universities by first quarter of FY 2004.

Performance Target: Initiate seven projects, including address noise measurements, metrics and health effects of noise and emissions, land use and airport controls,

and impacts of supersonic jets, by first quarter of FY 2004.

Performance Target: Communicate COE research results through participation in at least three International conferences by September 2004.

Performance Target: Gain funding obligation from NASA through the existing FAA and NASA interagency agreement on aircraft noise and emissions reduction technology by the end of the second quarter of FY 2004.

Performance Target: Achieve agreement on collaborative efforts with at least two major airport authorities to study low-frequency noise effects by the end of January 2004.

Flight Plan Initiative 3. (AEP Leads)

Improve data on environmental effects, technology maturity and feasibility, and costs of technologies and operational measures to ensure cost-effective decision-making.

AEP Activity

A. The FAA has been at the forefront of developing and fielding analytical models to evaluate aircraft noise and aviation emissions in the vicinity of airports (e.g., Integrated Noise Model (INM), Emissions and Dispersion Modeling System (EDMS)), and in developing tools for global assessments (e.g., Modeling System for Assessing Global Noise Exposure (MAGENTA) and System for assessing Aviation's Global Emissions (SAGE)). However, we lack a robust tool to perform cost/benefit analyses that considers industry costs and societal benefit of various noise and emissions mitigation options. There is a need for an Aviation Environmental Portfolio Management Tool (AEPMT) to provide the common, transparent cost/benefit methodology needed to optimize national aviation policy in harmony with environmental policy.

Performance Target: Develop a plan for integrating noise and emissions analytical models with appropriate economic modules to create the AEPMT by September 2004.

B. Through a series of Memoranda of Agreement, the FAA works closely with NASA to identify source abatement technologies for noise and emissions. The FAA partners with NASA and Industry in the Quiet

Aircraft Technology (QAT) and Ultra Efficient Engine Technology (UEET) research programs identifying and fostering noise and emissions reduction technologies that may enter the marketplace within the next 10-15 years. The agency will use these research findings to consider new environmental certification standards and procedures for the next generation of aircraft.

Performance Target: Complete assessment of the potential benefits of incorporating noise abatement technologies developed under the Advanced Subsonic Technology (AST) program into the future fleet by September 2004.

Performance Target: Achieve agreement with NASA on FAA participation in UEET management structure by March 2004.

C. NASA has the primary role of conducting exploratory research and early technology development of civil aircraft noise and emissions abatement technologies; the Department of Defense (DoD) also invests in noise and emissions abatement technologies for military-specific products. The FAA is pursuing collaborative agreements with DoD to leverage resources to address aviation's environmental impact.

Performance Target: Identify common NASA/DoD/FAA technology goals for long term reduction of aircraft noise and engine emissions by September 2004.

Flight Plan Initiative 4. (AEP Leads)

Complete Continuous Descent Approach (CDA) prototype program.

AEP Activity

A. Working with the NASA and academia, the FAA recently finished a successful flight demonstration test at Louisville International Airport (SDF). The FAA would like to develop area navigation (RNAV) procedures. The design of RNAV procedure will include the noise favorable features of the CDA. The intent is to develop RNAV procedures that use the advanced air traffic control and aircraft technologies in place at SDF to both improve efficiency and reduce noise.

Performance Target: Develop two sets of CDA RNAV procedures (for TRACON airspace and ARTCC airspace) by end of September 2004.

Flight Plan Initiative 5. (AEP Supports)

Apply new streamlining provisions in the Executive Order 13274 on Environmental Stewardship and Transportation Infrastructure Project Reviews to OEP projects.

AEP Activity

A. The FAA reauthorization bill, anticipated to be passed by Congress and signed into law this fall, contains a series of mandates to streamline the environmental review of airport capacity projects at OEP airports, as well as safety and security projects designated by the Administrator. These mandates are in addition to the policy and guidance in the Executive Order. The FAA must develop guidance to implement environmental streamlining.

Performance Target: Develop guidance on incorporating streamlining mandates and principles into environmental reviews by December 2003.

Performance Target: Issue FAA Order 1050.1E consistent with guidance from FAA reauthorization.

Flight Plan Initiative 6. (AEP Leads)

Develop best practices for airport and airline community relations to educate and inform the public about aviation and the environment. Topics include compatible land use, noise disclosure, and FAA web site information.

AEP Activity

A. Effective land use management in the crucial noise exposed areas near airports is essential to both the continued vitality of the airports and the comfort of the communities' residents. Too often in the past, communities and airports have worked at cross-purposes due, as much as anything else, to a lack of communication and a lack of information on noise compatibility planning. An earlier FAA initiative developed some communication packages for telling FAA noise policies and noise compatibility information to communities near airports and to state aviation organizations. The FAA was also successful in promoting the balanced approach to airport noise management within the international community. The FAA will continue to explore opportunities to educate and communicate.

Performance Target: Publish a new advisory circular on a balanced approach to airport noise management by September 2004.

Performance Target: Charter a new advisory group on airport noise control and land use planning by September 2004.

B. The American Planning Association (APA) is proposing an initiative called "Airfronts." The goal of this initiative is to enable airport authorities and surrounding jurisdictions to create high performance areas that compete as robust engines in the global economy because they link efficient airports to well-planned land uses. The "airfronts" initiative will include compatible land use, but will also be broader and encompass economic development, environmental mitigation/management, transportation, and public safety/security. The FAA has an interest in helping the APA develop and guide this initiative.

Performance Target: Support the "airfronts" initiative through ongoing cooperative effort with the APA and through sponsorship and speaker participation at the APA's 2004 National Planning Conference in March 2004.

C. The FAA reauthorization bill directs the FAA to conduct a study to determine the feasibility of developing a national noise disclosure program. This study provision is in lieu of the Administration's proposal to establish such a program in this legislation. The FAA continues to favor a national noise disclosure program and views this study as a key prerequisite to proposing such a program for future legislation.

Performance Target: Complete the fact-finding phase of a noise disclosure study by September 2004.

Flight Plan Initiative 7. (AEP Leads)

Foster voluntary agreements with aviation industry to reduce various aviation emissions.

AEP Activity

A. Fuel additives offer the potential to reduce fuel burn, increase engine combustor life, decrease emissions, decrease engine maintenance costs, and improve overall performance without compromising safety. The DoD has been conducting extensive testing on additives that reduce engine maintenance and, at the same time, reduce smoke emissions. Coordinated research needs to be done to develop fuel additives that will improve the environmental performance of commercial aircraft, establish test methods to demonstrate their safety and effectiveness create a market for additives, and give credit to airlines if they

are used to reduce overall emissions. A voluntary agreement between FAA, EPA, and stakeholders would also serve as an example to the international aviation community as a viable non-regulatory approach to reducing aviation's impact on the environment.

Performance Target: Establish a dialogue with EPA, industry, other government agencies with the aim of fostering further research and assessment of fuel additives to reduce emissions, by September 2004.

- B. The EPA/FAA stakeholder group is negotiating a voluntary national agreement to convert ground support equipment (GSE) owned by Air Transport Association member airlines, and potentially others, to lower emission technologies, and to establish a framework for the future reduction of aircraft emissions. Such an agreement would reduce aviation emissions in air quality non-attainment areas, as well as reduce emission-related constraints on aviation.

Performance Target: Foster the stakeholder process to establish a voluntary national agreement with EPA, industry, and states to reduce GSE emissions and to outline a future approach to reduce aircraft emissions by September 2004.

- C. There are significant new air quality initiatives in the FAA reauthorization bill, proposed by the Administration, to encourage and support voluntary airport infrastructure, ground vehicle, and ground service vehicle projects to reduce emissions using funding and emission credit incentives. Once legislation is passed, in order for funding to be approved, the FAA and EPA must first cooperatively issue national guidance for eligible projects, including vehicular and equipment emissions technology and benefits, and for the calculation and provision of emission credits by states.

Performance Target: In partnership with FAA's Airports Office, work with EPA to develop and issue national guidance for qualifying emissions projects and for emission credits by March 2003.

AEP Initiative 1.

Develop broad stakeholder agreement on a proposed solution for implementing the National Parks Overflights Act of 1987 with respect to Grand Canyon National Park.

AEP Activity

- A. Under the National Parks Overflights Act of 1987, the FAA is charged with issuing regulations to manage air traffic in the airspace above the Grand Canyon National Park in order to substantially restore natural quiet, as defined by the Secretary of the Interior, while maintaining aviation safety. The completion of this mandate has been hampered by strong differences of opinion among FAA, the National Park Service, and air tour and environmental stakeholders over various aspects of the task and how to measure accomplishment. The FAA and Department of the Interior have decided to engage in a conflict resolution process under the aegis of the U.S. Institute for Environmental Conflict Resolution to resolve remaining outstanding issues in ways that all parties may be able to accept.

Performance Target: Reach a draft comprehensive agreement for resolving outstanding issues by September 2004.

AEP Initiative 2.

Fulfill mandate of Air Tour Management Act to impose quiet technology and to eliminate significant impacts on the environment.

AEP Activity

- A. The National Park Air Tour Management Act of 2000 (NPATMA) provides that "Any methodology adopted by a Federal agency to assess air tour noise in any unit of the national park system (including the Grand Canyon and Alaska) shall be based on reasonable scientific methodology." The low-level sound environments of many national parks introduce several technical complexities related to the measurement, analysis, and characterization of sound. The FAA and the National Park Service (NPS) have made some progress in working cooperatively to reach consensus on how to address these issues, but much remains unresolved.

Performance Target: Support the Federal Interagency Committee on Aircraft Noise (FICAN) in completing the technical review of aircraft noise issues that apply to Grand Canyon National Park.

- B. On March 24, 2003, the FAA published a supplemental notice of proposed rulemaking (SNPRM), which proposed to set up noise efficiency limits for certain aircraft operations at Grand Canyon National Park (GCNP). It proposes standards for quiet technology

that are reasonably achievable, as mandated by Congress. The standards for quiet technology proposed in this SNPRM will help the National Park Service (NPS) achieve its statutory mandate to provide for the substantial restoration of natural quiet and experience in the GCNP. To meet this mandate, the FAA is proposing to use a noise efficiency approach (larger aircraft with more passenger seats are allowed to generate proportionally more noise) to define quiet technology. The rule could become the model for quiet technology standards applied to other parks under the NPATMA.

Performance Target: Complete executive review of the final rule for Noise Limitations for Aircraft Operations in the Vicinity of Grand Canyon National Park by September 2004.

AEP Initiative 3.

Monitor the aircraft noise exposure measure under the DOT Performance Plan.

AEP Activity

A. Public concern and sensitivity to aircraft noise around airports is high. In recent years, noise complaints have increased even while airline fleets have become quieter. Aircraft noise is an undesired by-product of our mobility, and the Government acts to reduce the public's exposure to unreasonable noise levels. In the past decade, the phase-out of noisier commercial aircraft was principally responsible for the drop in the number of people exposed to high levels of aircraft noise. Noise compatibility projects funded under the Airport Improvement Program (AIP) complemented the gains achieved through the phase-out. While the new international aircraft noise standard will encourage introducing quieter aircraft into operations,

AIP-funded noise compatibility projects will be the principal means employed by Government to mitigate significant aircraft noise exposure.

Performance Target: Confirm the number of people exposed to significance noise has reduced to 400,000.

AEP Initiative 4.

Develop, enhance, and validate the System for assessing Aviation's Global Emissions (SAGE); monitor fuel burn and emissions associated with the commercial aircraft fleet operating in the U.S. and worldwide.

AEP Activity

A. The System for assessing Aviation's Global Emissions (SAGE) will be used to model the annual total fuel burn for commercial aviation within the U.S., using annual OAG and ETMS data as inputs. In addition, SAGE will provide the total aircraft miles flown. For both data sets results will be averaged for successive three calendar year periods. Then average fuel burn will be divided by average aircraft miles to determine the average efficiency for each three-year period. Average efficiency can then be tracked; thus, comparing the average for 2000-2002 with 2001-2003 and 2002-2004, etcetera. Fuel Consumption data (Gallons) and Aircraft Revenue Miles data from the DOT Bureau of Transportation Statistics, Office of Airline Information will be used as the basis for trend comparison.

Performance Target: Confirm the fuel efficiency per revenue plane-mile has improved by 1% for 2001-2003 relative to 2000-2002.

INTERNATIONAL LEADERSHIP



OVERVIEW

The Office of Aviation Policy, Planning and Environment will support the International Leadership goal by representing the United States in the development of international standards relating to aircraft noise and engine emissions in international forums.

This Office contributes to the following strategic International Leadership Objectives outlined in the FAA 2004-2008 Flight Plan:

INTERNATIONAL LEADERSHIP OBJECTIVES

1. Promote seamless operations around the globe in cooperation with bilateral, regional, and multilateral aviation partners.

A more detailed description of each Objective, including its supporting Initiatives and Performance Targets follows.

FLIGHT PLAN OBJECTIVE 1: PROMOTE SEAMLESS OPERATIONS AROUND THE GLOBE IN COOPERATION WITH BILATERAL, REGIONAL, AND MULTILATERAL AVIATION PARTNERS.

FY04 PERFORMANCE TARGETS

- Achieve 75% of all technique and operational procedure implementation milestones in FY 2004 on time.
- Achieve all RVSM milestones in FY 2004 on time.
- Achieve all environmental standards and practices milestones in FY 2004 on time.

Flight Plan Initiative 1. (AEP Leads)

Work with CAEP members to develop and adopt ICAO guidance material on the Balanced Approach to noise Management consistent with ICAO Resolution A33-7.

AEP Activity

A. AEE has led U.S. efforts to define and adopt an internationally agreed process for the management of aircraft noise at the airport. The impetus for this effort was the proliferation of local, State, and regional noise restrictions – mostly within Europe – that were harmful to the aviation industry. After an intense effort by the U.S., led by the FAA, both within ICAO and bilaterally with European States and organizations, the 33rd Assembly adopted Resolution A33-7 that described a balanced approach process consistent with U.S. interests. AEE is now leading the effort within ICAO's environmental committee to draft ICAO guidance material for all of ICAO's 188 members on how to implement the Balanced Approach.

Performance Target: ICAO Assembly adoption of guidance material on the Balanced Approach to Noise Management consistent with Assembly Resolution A33-7, and with U.S. interests.

Flight Plan Initiative 2. (AEP Leads)

Build on work already done within CAEP to develop industry best practices for emissions reductions as a basis for future voluntary agreements.

AEP Activity

A. The U.S. supports voluntary measures as opposed to emissions charges or mandatory emissions trading schemes. FAA has led the effort within ICAO's environmental committee to identify and document industry – airlines, airports, manufacturers, and others – initiatives to reduce fuel burn and related emissions. FAA is working within ICAO to quantify these “best industry practices” and to explore where there

opportunities in this work to establish voluntary agreements for emissions reductions with the industry.

Performance Target: ICAO Assembly support to further develop voluntary measures that could be implemented in place of charges or mandatory emissions trading schemes to address emissions reductions.

Flight Plan Initiative 3. (AEP Leads)

Gain acceptance of the System for Assessing Aviation's Global Emissions (SAGE) to be used as a global emissions model within CAEP.

AEP Activity

A. The FAA has developed SAGE using the best available data and methods that allow high-resolution and high fidelity modeling of aircraft fuel burn and emissions (carbon dioxide, carbon monoxide, hydrocarbons, oxides of nitrogen) during all phases of flight. Using the model, inventories of fuel burn and emissions can be developed. The model also provides the capability to model various future fleet and operational scenarios and determine their potential effects on regional and global emissions. The inventories of current emissions and those for future forecasted years will help to determine trends in aviation emissions and allow for more accurate comparisons to emissions from other industries. Preliminary validation work has shown good agreement on both modular and system levels. It is expected that additional validation work will be conducted to determine areas for model-improvement and to better understand areas of uncertainty. Model improvements that incorporate higher-resolution inputs will allow for SAGE to provide higher-fidelity results. Comparative analyses, such as those involving new emissions reduction technologies and new operational procedures and strategies, could be modeled in SAGE, as the appropriate input data is made available. The FAA has urged the Steering Group of CAEP to consider the adoption of SAGE within the ICAO CAEP process for establishing future emissions standards, policies, and goals.

Performance Target: Attain confirmation from the CAEP technical working groups that SAGE capabilities are applicable to the future work program of CAEP, and concurrence on elements of the work program for which SAGE will be utilized.

ORGANIZATIONAL EXCELLENCE



OVERVIEW

AEP serves as the agency's focal point for strategic plan development and coordination. It is responsible for forecasting aviation activity to be incorporated in FAA plans and evaluating proposed and final FAA rules to assure that there is reasonable likelihood that anticipated benefits of rulemaking exceed costs. Our specific initiatives and activities under the goal of Organizational Excellence revolve around supporting agency initiatives to help employees see the link between their jobs and agency goals. We also aim to facilitate agency efforts to reduce the number and costs of work-related FAA employee injuries and illnesses.

This Office contributes to the following strategic Organizational Excellence Objectives outlined in the FAA 2004-2008 Flight Plan:

ORGANIZATIONAL EXCELLENCE OBJECTIVES

1. Make the organization more effective with stronger leadership, increased commitment of individual workers to fulfill organization-wide goals, and a better prepared, better trained, diverse workforce.
2. Control costs while delivering quality customer service.
3. Make decisions based on reliable data to improve our overall performance and customer satisfaction.

A more detailed description of each Objective, including its supporting Initiatives and Performance Targets follows.

FLIGHT PLAN OBJECTIVE 1: MAKE THE ORGANIZATION MORE EFFECTIVE WITH STRONGER LEADERSHIP, INCREASED COMMITMENT OF INDIVIDUAL WORKERS TO FULFILL ORGANIZATION-WIDE GOALS, AND A BETTER PREPARED, BETTER TRAINED, DIVERSE WORKFORCE.

FY04 PERFORMANCE TARGETS

- Directly relate 80% of all employee performance plans to FAA strategic goals and their organization's performance plans.
- Reduce the time it takes to hire mission critical positions by 3% over FY2003 baseline.

Flight Plan Initiative 1. (AEP Support)

Implement an executive development program.

AEP Activity

Performance Target: Our top executives will help guide corporate leadership development policies, processes, and programs and will hold their subordinate managers accountable for implementation. They will set an example by personally engaging in ongoing learning activities and will ensure that subordinate managers do likewise. Senior AEP managers and executives will serve as mentors, presenters, and advisors in executive development activities.

Flight Plan Initiative 2. (AEP Supports)

Put in place a management workforce planning and development program.

Performance Target: Our top executives will help guide corporate leadership development policies, processes, and programs and will hold their subordinate managers accountable for implementation. They will set an example by personally engaging in ongoing learning activities and will ensure that subordinate managers do likewise. Senior AEP managers and executives will serve as mentors, presenters, and advisors in management development activities.

Flight Plan Initiative 3. (AEP Supports)

Undertake a timely and effective approach to conflict management.

Performance Target: Pending guidance regarding specific requirements, we commit to supporting the accomplishment of this corporate initiative.

Flight Plan Initiative 4. (AEP Leads)

Use multiple channels to communicate the goals of the Flight Plan and help employees see the link between their jobs and these goals.

- A. Print and distribute the Flight Plan throughout the FAA by Oct 31, 2003.

Performance Target: October 31, 2003

- B. Prepare brief news summaries for FAA employees to be disseminated through: 1) AOA-1 Highlights, 2) the Intercom (including regional versions), and 3) the FAA Web site regarding the establishment and attainment of: 1) the OSI performance targets, and 2) selected Flight Plan 100 Performance Targets.

Performance Target: Quarterly publication of news summaries

- C. Preparation of one "liners" relating to attainment of Flight Plan 100 performance goals for inclusion in the "Other information" Section of Statement of Earnings and Leave (DOT form 2740.1)

Performance Target: Quarterly inclusion of one liner in DOT form 2740.1

Flight Plan Initiative 5. (AEP Supports)

Directly link all employee performance plans to FAA strategic goals and line of business and staff office performance plans.

AEP will track the percentage of employees with performance plans in place, and the percentage of performance plans that are directly linked to agency strategic goals and organizational performance plans.

- A. Lead the staff level review of all executives proposed short-term incentives for strategic linkage.

Performance Target: Complete by November 1, 2003.

- B. Develop the proposal for the Organizational Success Increase criteria for FY2004.

Performance Target: Complete by November 1, 2003.

Flight Plan Initiative 6. (AEP Support)

Put in place a corporate and employee training and development program.

Performance Target: We will participate in the design and development of a corporate employee development program and leverage our existing programs and systems in support of this strategic objective.

Flight Plan Initiative 7. (AEP Supports) Implement corporate recruitment initiatives.

Performance Target: We will support this recruitment initiative.

FLIGHT PLAN OBJECTIVE 2: CONTROL COSTS WHILE DELIVERING QUALITY CUSTOMER SERVICE.

FY04 PERFORMANCE TARGETS

- Secure 10% of the unfunded portion of the strategic plan through budget requests, reprioritization, and cost savings.
- Complete the closeout of 100% (FY2001 baseline) of cost reimbursable contracts by end of FY2004 and maintain timely closure of future contracts.
- Reduce the number and costs of work-related FAA employee injuries and illnesses.
- Implement Environmental Management Systems at all appropriate FAA facilities by 2005.

Flight Plan Initiative 1. (AEP Supports)

Put in place an agency-wide cost control program using CAS and LDR, including:

- An executive level review process
- Identification of cross-organizational initiatives focused on controlling operations costs starting with information technology (IT) expenditures. Savings identified will be used to fund unfunded aspects of the Flight Plan.
- A program to create incentives for FAA organizations to identify and implement cost savings initiatives

AEP Activity

AEP will facilitate agency efforts to reduce the number and costs of work-related FAA employee injuries and illnesses. FAA paid over \$90 million in 2002 to more than 4000 individuals because of on-the-job injuries and illnesses. Of these, about 1700 were new cases filed that year. The costs include compensation for lost wages, survivor benefits, medical costs, and continuation of pay. In addition, FAA incurred indirect costs (e.g. backfill overtime, administrative costs of processing claims and following up with injured employees, etc.). Efforts in different organizations within FAA to reduce these costs have had some effect. The costs grew an average of only 2% per year from 1992 to 2002 (compared to the Government average of 3.5%), and the increase for the charge back year ending June 30, 2003 was only 0.5%. Even so, the magnitude of the problem requires a comprehensive, coordinated agency-wide effort to prevent injuries and illnesses, to ensure that workers who do get hurt are made whole, to manage the resulting claims to ensure that the employees receive the appropriate benefits, and to return employees to work as soon as they are medically able to perform any work the agency needs. This is important both for preventing lost work time and performance from

accidents and mishaps to our employees and for reducing/preventing costs to the FAA.

- A. Maintain and enhance the Safety Management Information System (SMIS) so that all mishaps can be reported and tracked in SMIS, and analyzed. Customize SMIS to offer injury-tracking capabilities for ATS OWCP managers.

Performance Target: Provide injury-tracking functionality inside SMIS for ATS OWCP managers by October 31, 2003.

Performance Target: SMIS is functional throughout the year. Funded enhancements are implemented by the agreed due dates. Mishap trends are identified by August 1, 2004.

- B. Work with Lines of Business to ensure that training materials on employee safety and OWCP are available to supervisors, managers and employees. Promote procedures in the LOBs for management review of all work-related injuries to identify causal factors and measures to prevent recurrence.

Performance Target: Training materials are available on AHR, AEE and ATS web sites by March 31, 2004.

Performance Target: Brief the Management Board on the status of the employee safety program, including the management review procedures. Due dates: January 15, April 15 and July 15, 2004.

AEP Initiative 1.

Executive Order 13148, "Greening the Government through Leadership in Environmental Management," requires Federal agencies to implement EMS at all appropriate facilities by December, 2005. An important aspect of how FAA does business is the potential environmental impacts of its decisions, and the potential delays to critical infrastructure projects if the environmental reviews are not thorough and timely. EMSs help integrate environmental aspects into planning, decision-making and operational processes. Implementing EMS is good business practice, which will save time and money over the long-term. AEE has led FAA efforts to plan and pilot test EMS in selected locations, and will promote EMS development agency-wide.

AEP Activity

- A. Implement an EMS in AEE-200, the Environment, Energy and Employee Safety Division.

Performance Target: Meet EMS self-certification requirements by September 1, 2004.

- B. Work with Lines of Business to facilitate and promote their development of EMS for their facilities.

Performance Target: Provide guidance to LOBs on environmental aspects, procedures, and environmental management plans by September 1, 2004.

Performance Target: Implement EMS into the FAA business process by September 30, 2004.

AEP Initiative 2. (AEP Leads)

Promote the design, operation and use of energy-efficient technologies and practices in FAA systems and facilities to reduce operations and maintenance cost and improves reliability.

AEP Activity

FAA pays over \$80 million per year in energy costs for its facilities. The Energy Policy Act and Executive Order 13123 require federal agencies to reduce their energy consumption, with specific target reductions by 2005 and 2010. Energy-efficient technologies have been developed, many with payback periods of less than three years. A report from the DOT Office of the Inspector General recommended that FAA identify and fund energy conservation projects with payback periods in the near term. AEP works with energy managers in Airway Facilities, the Aeronautical Center, and the Technical Center to promote, track and report energy conservation.

- A. Work with Lines of Business to incorporate energy conservation in the design and operation of FAA equipment and facilities.

Performance Target: Issue updated Energy Order by September 30, 2004.

- B. Ensure that energy consumption data in the annual report to DOE are supported by reliable data.

Performance Target: Work with reporting organizations to improve data reliability and include a statement of data accuracy in the report by March 1, 2004.

FLIGHT PLAN OBJECTIVE 3: MAKE DECISIONS BASED ON RELIABLE DATA TO IMPROVE OUR OVERALL PERFORMANCE AND CUSTOMER SATISFACTION

FY04 PERFORMANCE TARGETS

- Achieve 80% of the designated milestones and maintain 80% of critical program costs within 10% of the total as published in the CIP.
- Achieve 90% of all performance targets in the Flight Plan. Achieve 30 or more of the 33 performance targets in FY 2004.
- Increase customer satisfaction scores on the American Customer Satisfaction Index to 63.
- Achieve 90% of the milestones for the agency information security plan.

Flight Plan Initiative 1. (AEP Leads)

Use automated software to track and report progress on the Flight Plan initiatives and to establish the appropriate linkages and accountability for supporting initiatives in each line of business and staff office.

AEP Activity

- A. Lead the implementation of pbViews for tracking Flight Plan initiatives. Evaluate the usefulness of pbViews in creating focus and accountability of strategic accomplishment.

Performance Target: Initial implementation complete by October 15, 2003. Evaluation complete by January 1, 2004.

Flight Plan Initiative 2. (AEP Leads)

Use the Flight Plan web site as a way to communicate progress and collect feedback from internal and external customers on the initiatives contained in the plan.

AEP Activity

- A. Provide public information on Strategic Plan progress at least quarterly.

Performance Target: Quarterly reports to be posted on internet within 60 days of the quarter's end.

- B. Design and implement a process to collect feedback on the Flight Plan from employees and external stakeholders.

Performance Target: Process implemented by February 1, 2004.