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Aircraft Owners and Pilots Association

For the

U.S. HOUSE TRANSPORTATION AND INFRASTRUCTURE
AVIATION SUBCOMMITTE

Hearing

On

The Transition from FAA to Contractor-Operator
Flight Service Stations: Lessons Learned

October 10, 2007

The Aircraft Owners and Pilots Association (AOPA) is a not-for-profit individual membership organization of more than 413,000 pilots. Representing two-thirds of all pilots in the United States, AOPA is the largest civil aviation organization in the world. AOPA's mission is to serve the interests of its members as aircraft owners and promote the economy, safety, utility and popularity of flight in general aviation aircraft. General aviation encompasses all of aviation with the exception of the commercial airlines and the military.

Thank you for holding this hearing on the Federal Aviation Administration's (FAA) outsourcing to Lockheed Martin to operate the Flight Service System (FSS) that provides important weather, safety and security information to the nation's pilots. This hearing is timely in the wake of the extreme difficulties faced by pilots since the system under went a severe period of poor performance for much of the year. Examining what went wrong, what is being done to correct problems and lessons learned that may be applicable for any future FAA efforts to outsource aviation services is appropriate. In many ways this was the first step in the FAA's NextGen air traffic control system.

Certainly, the lessons learned from the FSS experience are extremely important as the FAA contemplates using outsourcing for the provisions of ATC services. While not the topic of this hearing, it has direct application to the FAA's contract for Automatic Dependant Surveillance-Broadcast (ADS-B) services.

Looking back it also validates AOPA's insistence that Direct User Access Terminal (DUAT) not be a part of the FSS outsourcing. This proven alternative to FSS, is an FAA funded online briefing tool that allows pilots to receive information similar to that provided by a telephone briefing, and permits the electronic filing of a flight plan. The importance of this system as a back up was crucial as the Lockheed Martin provided service failed to meet the needs of pilots. AOPA urges this Subcommittee to insist that the FAA continue providing this important back up to FSS well into the future.

Painful Lessons on FSS Outsourcing

As I appear before you today, the FSS system modernization and consolidation is nearly complete. The reasons for the outsourcing, to modernize the FSS system and decrease the cost of the service, are valid but the goal of better service to pilots has not yet materialized and the service level is not where it needs to be. Pilots continue to experience long hold times, calls are dropped, and briefer quality and their knowledge of local area is lacking.

It is crucial to aviation safety that Congress maintains an active role in overseeing the FAA's management of the FSS program.

Although AOPA chose to work with the FAA, rather than oppose the contracting out (outsourcing) of FSS services, it has been a difficult transition as the old system was replaced and a new one implemented. We supported the

outsourcing because of our frustration over the FAA's FSS system was expensive to operate and antiquated. The FAA's employees were good, but the system was a kludged-together technological mess straight out of the 1970s, based on mainframe computers.

The outsourcing of the FSS system promised billions of dollars in cost savings, the one unique general aviation service provided by the FAA. This is important because AOPA's research showed that flight service cost more than $500 million per year to operate, almost $25 per pilot contact. Outsourcing also was viewed as a means to modernize the system and improve service to pilots. Thus far, based on information from pilots, it has not met these expectations.

What Could Have Been Done Differently?
AOPA has found itself in the unenviable position of having to explain the FAA's and Lockheed Martin's failure to the general aviation community. AOPA wants the modernized computer system called Flight Service 21 (FS21) to succeed because pilots have the most to lose if FS21 does not deliver services as promised. That is why since February 2005, AOPA has had nearly daily communication with FAA and Lockheed Martin, as well as periodic executive level meetings. It is certainly important that those affected by any outsourced services be involved in providing feedback about the services to the FAA.

Many of the problems experienced by pilots could have been avoided if the FAA exhibited stronger leadership, had more qualitative performance measurements, and Lockheed Martin had not been so aggressive in consolidating and closing facilities.

- **The FAA's executive management did not take full responsibility and accountability for the FAA's obligation to pilots for outsourced FSS services.** It was important that the highest levels of the Agency stay engaged in managing this significant effort. Commitment to high-level FAA oversight of Lockheed Martin was insufficient to ensure adequate performance and seek rapid solutions to performance problems once it became obvious it wasn't working as planned. It took repeated prodding of FAA and Lockheed Martin by AOPA and ultimately Congress for high-level commitment to address problems. Any future outsourcing projects like this one will require closer oversight at all levels to ensure the safety of pilots and passengers is not compromised.

- **The FAA showed little concern for overseeing contract performance that mattered most to pilots through the quantitative and qualitative performance standards once the contract was issued and modernization and consolidation began.** The Agency emphasized strict adherence to certain quantitative performance measures, ignoring severe problems that users were experiencing with the system. Numbers and statistics only tell part of the story and masked underlying issues and

problems. The FAA seemed to focus on penalizing Lockheed Martin for not meeting metrics, while ignoring the catastrophic system failures that literally shut down the service. On future contracts, the FAA should exercise its authority in properly managing risks and mitigation strategies for "worst case scenarios."

- **FAA management did not pay close attention or evaluate the effects of changes and revisions made to the FSS system as Lockheed Martin altered its schedule for consolidation and modernization that culminated the problems that pilots experienced this year.** Other than financial penalties, the FAA seemed helpless in addressing the serious technical problems with the FS21 computer system; an overly aggressive consolidation schedule and poor timing of the FS21 launch to coincide with the start of the busiest season for flying. The company was aware of numerous problems with the system at the time it was launched and worked with briefers to devise "work arounds." The FAA also permitted Lockheed Martin to rapidly close existing FSS stations at an average rate of three per week shortly after opening its three hub stations while many of its 16 satellite stations were closed for modernization with new FS21 equipment.

- **Finally, the FAA and Lockheed Martin were slow to respond to pilots' concerns about critical services such as the importance of local area knowledge.** That is the principle that FSS briefers are familiar with specific information for the areas they cover. It was a theme AOPA emphasized repeatedly before and after the contract was awarded. This continues to be a major concern of AOPA members.

Old System – New Management Needed

Prior to the outsourcing, the FSS system was operated by 2,300 FAA employees at 61 locations throughout the United States. It served as an important source of aviation weather for general aviation pilots. Pilots could telephone, and in some cases, visit a flight service station in their area to receive weather information for their region and along their route of flight. Pilots could also file a flight plan and learn about hazards along their route and at their destination airport. During flight, a pilot could also radio the nearest flight service station to receive updated weather and hazard information, and receive emergency services as conditions changed.

But, this system had major problems. In fact, for nearly 30 years the FAA's FSS modernization and consolidation program was a saga of management errors and a string of broken promises to the nation's pilots, as well as Congress. It took the FAA from 1981 until 1997 to complete its first consolidation of 317 FSSs into 61 automated FSSs. And even then, the FAA's FSS computer system was never fully implemented. AOPA testified before this subcommittee on September 30, 1997, criticizing the FAA's handling of FSS consolidation that caused almost

irreparable damage to the FAA's relationship with the general aviation community. Fast-forward ten years and we have a similar message -- the general aviation community is disappointed by the FAA's handling of FSS modernization and consolidation through its outsourcing contract with Lockheed Martin.

Recognizing that the FAA was failing in its attempt to incorporate a windows based computer system for FSS, called the Operational and Supportability implementation System (OASIS), it was obvious a new approach was needed. To prepare for the future, AOPA conducted its own studies, analyzing the costs of the FSS system and identifying ways to modernize and lower the cost of the system.

The government was aware of problems and in 2001 the Office of the Secretary of Transportation's Office of Inspector General conducted a study on Automated Flight Service Stations as well. The IG report determined that significant savings could be realized by consolidating sites in conjunction with modernization. (Report Number AV-2002-064).

An illustration of the FSS system's shortcomings occurred when it could not meet the demands of the post 9/11 airspace security environment. At that time, security restrictions were changing access requirements for the airspace on a frequent basis and FSS briefers were unable to obtain accurate and timely information to inform pilots. Ironically, many FSS specialists relied upon AOPA's Web site for up-to-date information because the FAA's computer system was simply incapable of meeting their needs.

These factors prompted the FAA to conduct an Office of Management and Budget "A-76" study to contract flight services either to a group of FAA employees or an outside source. Recognizing that the study could be a catalyst for significant improvement in the FSS system that had been floundering for years, AOPA decided to work with the FAA on the outsourcing initiative.

There were three major stipulations for AOPA's non-opposition: FSS briefings would continue to be provided by the government without a fee; the service would respond to the needs of the general aviation pilot and it would not apply to Direct User Access Terminal (DUAT), a proven government provided online alternative to FSS.

AOPA Attempting to Be Part of the Solution

While the FAA initially resisted AOPA efforts to be an "advisor" to the agency as it developed the performance standards for the contractor bids, eventually they allowed, even welcomed AOPA's participation. AOPA used member survey data to help develop the criteria important for pilots as part of the 21 performance metrics in the contract. This included answering phone calls within 20 seconds, acknowledging radio calls within five seconds and providing service within 15

seconds, filing flight plans within 10 seconds, and conducting pilot satisfaction studies and surveys on a regular basis.

Lockheed Martin Concept Looked Good On Paper

Lockheed Martin won the competitive bid with a contract that was initially determined to save $2.2 billion over ten years and most importantly implement improved services for pilots through a modernized computer system called Flight Service 21 (FS21). Lockheed Martin also promised a Web portal for pilots allowing pilots and briefers to look at the same text, graphics, and other elements that emulate the FS21 console. The Lockheed Martin concept meant the FAA's 58 flight service stations outside of Alaska would be consolidated into three hub facilities and 17 satellite locations. The FAA chose to exclude Alaska based services from the A-76 process.

The same week of the contract award, AOPA executives met with Lockheed Martin officials for a firsthand look at FS21. At the meeting we asked all the tough questions that every pilot would want to know about a service that is so vital to the safety of general aviation flights and Lockheed Martin seemed to have all the answers. Lockheed Martin promised extensive training on local knowledge so calls would be forwarded <u>only</u> to briefers who were knowledgeable of the area the pilot was calling from. Lockheed Martin also said the selection of the FSS locations was not by chance but based on where the pilot population resides, where aircraft accidents have occurred most frequently, and where it would cause the least disruption to the workforce.

The backbone of FS21 was an all-new sophisticated phone system to distribute calls to FSS specialists trained with specific knowledge of a pilot's geographic weather, topography and airspace. Pilots would also have the option of registering information on pilot certificate and ratings, and personal minimums so when a call is answered the briefer will instantly know who he or she is speaking with and tailor the information based on flying experience. If a last minute temporary flight restriction (TFR) or other notice came up affecting a pilot's itinerary, FS21 would send an email or text message with the information.

Initial Service Was Good – But Troubling Signs Started to Appear

After Lockheed Martin took over the existing FSS system service actually improved. Calls were answered more quickly and fewer calls were dropped. In August 2006, AOPA surveyed its members and the majority said that service was "good" or "very good."

This initial optimism faded as the schedule was delayed and rumors of problems began circulating among the aviation community. Finally, two years later in April 2007, Lockheed Martin launched FS21. Not only was the launch a disaster, but the promises of personalized service from knowledgeable briefers has not come to pass. The system quickly reached a crisis point with at least two system-wide outages of the state of the art phone system that is supposed to be the backbone

of FS21. On a related note, the promised Web portal has yet to be launched. The launch dates were pushed back from June to August 2007, to "possibly by the end of the year."

Aggressive Consolidation and Modernization – Big Problems for Pilots
In April Lockheed Martin launched its modern flight service system by declaring its three FS21 hubs operational and began aggressively consolidating the old FAA stations at the rate of three a week. Immediately, major problems surfaced. Computers in the new hubs crashed, pilots' calls were not answered in a timely manner and the quality of many pilot briefings was insufficient.

April is the start of prime flying season and the weather in April 2007 was particularly nice. The good-flying-weather-call-onslaught hit, and the system was unable to support pilots' calls into FSS. Within days, it became apparent that the aggressive FS21 launch was not going well. Service to pilots deteriorated and quickly reached a crisis point.

At times, there were complete computer system outages leaving briefers and pilots without access to the weather information necessary for safe flight and unable to file flight plans. In some cases these outages lasted more than an hour, bringing many aspects of general aviation to a halt. In addition, pilots encountered long hold times when calling for a weather briefing, often waiting 30 minutes or more or being disconnected before ever having the opportunity to speak with a briefer.

Even more frustrating, flight plans put into the system were dropped and were not available to air traffic controllers. Many pilots found that flight plans they had filed by telephone with FSS had been lost or never entered into the air traffic control system forcing them to delay or cancel flights.

Pilots often ended up with briefers who had no knowledge of the local area – a crucial need identified well before a contract was issued. Airport managers also reported that they could not file notices to airmen (Notams) to alert pilots to runway closures or lighting outages.

AOPA Members Validate the Complaints – FSS Broken and Failing!
These comments illustrate the hundreds AOPA received about FSS problems:

"Initially it (Lockheed Martin run FSS) had the appearance of work fairly well, but I can tell you that in the last month they have briefers that can't spell airplane let alone give a briefing. I filed my flight plan 4 times and each time it was lost. Once I had to wait 20 minutes for them to answer with other times in the 5 to 10 minute range. Is there anything the AOPA can do to help me out or give me some suggestions? I have never before written a complaint to anyone at AOPA, but this new FSS is a disaster."

"I'm a flight instructor with countless first-hand pilot accounts of where FSS has been unreachable. Earlier this week, for example, I had a primary student out on his second cross-country. The weather looked threatening to him, so he contacted FSS as he had been instructed to do when such occasions arise. No answer, no answer, no answer, I've lost faith in flight service….but what do you do when your out on a flight and have no other option!"

"The sudden non-availability of timely FSS support forces all of us GA pilots to fend for ourselves… For low time, inexperienced pilots, it's an invitation to disaster."

"An FSS briefer actually told me that he could not give him the weather because he did not know how to operate the equipment!"

"Briefer had no local knowledge of geography or how far apart my airports were. I requested local Notams and briefer said he didn't have them, only had Notams for Colorado!"

"I finally got a briefer after 15 min. He was apologetic about the long wait and told me I would need to help him with identifiers and such during the briefing because he was not familiar with the area. Good thing I was familiar with the area or we would have been out of luck. The recording says that you will be connected with a briefer familiar with you area. Well, I guess there are not quite enough of them."

Members responding to an AOPA survey of active pilots conducted at the end of May validated that there were significant problems.

- More than two-thirds of members said that service in the preceding 30 days had become worse, nearly half said that they were "dissatisfied" or "very dissatisfied" with their preflight briefing.
- 66 percent said that their calls, which are supposed to be answered within 20 seconds, were never or seldom answered within one minute.
- The majority gave high marks for briefer professionalism and courtesy, but rated briefers' local geographical and meteorological knowledge as poor.

While we did anticipate some problems, this was unacceptable. AOPA explained this situation to members as being similar to replacing rusty old water pipes - you have to dig up the street, there will be a few hours when you do not have water, and the water will run rusty red for a little while. But it is almost as if Lockheed Martin started digging up the old pipes without having the replacement pipes onsite.

Initially, the FAA accused AOPA of overstating the problems. We were alarmed by the lack of support from the Agency to help pilots despite the numerous AOPA

member comments like to following illustrating the scope of the problems being experienced:

"Called to file an IFR flight plan and took 15 minutes for a briefer to respond. He couldn't get my flight plan into "the system" but after conferring with someone I was told that they had figured it out. I'm on the taxiway, engine running and call for clearance - no flight plan. Try to call FSS on radio frequencies, no response. I sat for 45 minutes before getting the darn flight plan filed and activated. How much is this chaos and ineptitude costing? After almost 40 years of civil and military aviation experience, this is another reason for me to quit flying and sell our aircraft."

" I had an encounter with serious weather that occurred, in part, because I was unable to obtain a FSS briefing. Instead, I filed via DUATS computer system and reviewed the pages of coded weather information that followed. Frankly, I missed several of the subtle weather points that a briefer could have provided me!"

System Starts to Improve by Mid-summer – But Problems Continued
AOPA continued to hear from members about problems all through the summer. In a late June survey of AOPA members, pilots reported the rapid decline in service had leveled off but overall satisfaction was still very low.

- 24 percent said FSS service had improved in the preceding 30 days, but 35 percent said it had become worse.
- Nearly 50 percent of respondents rated briefer meteorological knowledge as "poor" or "very poor."
- 38 percent said their calls are still not being answered within a minute and some reported hold times in excess of 10 minutes.
- 24 percent of pilots continued to experience dropped calls when they attempt to contact FSS.

Need for Formal Problem Identification and Solutions
By the end of July, AOPA was still receiving numerous complaints from members. While the FS21 system was nearly fully implemented, some pilots still complained of long hold times, briefers' lack of local area knowledge and dropped flight plans.

This prompted AOPA to ask the FAA to create a telephone hotline to report complaints about FSS service. In response, the FAA implemented the toll free Flight Service Comment Line in late July. Pilots are urged to call to report any problems and provide details such as date, location, and aircraft identification to allow the FAA to identify the specific flight involved. The FAA reviews all complaints and passes the information to Lockheed Martin for resolution within 15 days. AOPA also receives a copy of these complaints.

Current Status – Improvements Slow in Coming
In a survey of members done in the last week of September, pilots reported that the system was performing better than the two previous surveys, but problems remain. While these do not match official FAA/Lockheed Martin performance metrics, it is a statistically valid reflection of what the pilots are reporting to AOPA.

- 64 percent reported being satisfied with the service, but 26 percent were dissatisfied.
- 69 percent of respondents gave a satisfied rating for briefer knowledge, but 20 percent were dissatisfied, indicating continued problems with the quality of the briefing.
- 37 percent of pilots reported that they have hung up while waiting to speak with a briefer indicating a frustration with hold times.
- 85 percent were satisfied with briefer professionalism, while 8 percent were dissatisfied.
- Finally, 38 percent noticed an improvement in service level in September, 49 percent noticed no change and 13 percent noticed deterioration.

The Future of Flight Service
Looking ahead, the ongoing service improvements must continue in order for pilots to have confidence in the new FSS system.

The FSS Hotline continues to receive an average of 100 calls a week with pilot complaints about service. As recently as last week, an area pilot said that the FS21 is “spotty at best.” Last week he experienced two lost flight plans in two days. Pilots continue to complain that they are not given critical TFR information, even when they ask.

Going Forward
The outsource concept for FSS remains a good one. It saves dollars, provides a needed service in what should be a twenty-first century manner, and frees the FAA from day-to-day operation of a classic in-flight and preflight briefing service. Rest assured that AOPA was surprised by the transition problems of a major company that has a solid track record in providing even far more complex systems and services to the government.

In addition, where appropriate the Federal Aviation Administration has and will consider the outsourcing concept for other non-aircraft separation needs in our National Airspace System. However, this is not privatization – which means the agency must maintain a high level of accountability for this and other projects handled in a similar manner. FAA cannot sign such a contract for services and then ignore their safety, standards and oversight responsibilities. The agency must consider the supplier as their vendor and assign the same high-level management supervision to the supplier as they do their own workforce.

Similarly, since the FAA is a federal agency under the ultimate supervision of our Congress, AOPA applauds you, Mr. Chairman, for calling this hearing and learning from this flawed transition. Imagine the chaos if this had been a critical airline service, and the result being further delays and inconvenience to the traveling public? The constituents in your Districts would have been voicing their concerns to your offices as they do today about flight delays, cancellations and over-booking. AOPA shouldered the criticism and backlash from the pilot community, and unfairly, I might add.

AOPA, representing the customers, continues to act proactively. Later this month, an FSS information card is being inserted into the half million copies of our two monthly magazines. This tear-out card will be provided to pilots for streamlining their use of this new system. In the works is a major online course being produced by the AOPA Air Safety Foundation that will be available to all pilots at year's end. This interactive 20-minute tutorial is designed to brief pilots on how to work with the new Lockheed Martin contracted system.

The FAA must re-examine its Performance Measurements, and not rely on those initially established, since they clearly do not give the proper picture of the timeliness and quality of the service. It is interesting to note that at an early meeting with the FAA and Lockheed Martin, as we reviewed the measurements and early results, I asked how these compared to the old FAA service metrics? The answer was, "We didn't measure ourselves with the old system." Let's add new metrics where appropriate and remove those that have no use in the safety or customer service paradigm.

As an example, Lockheed Martin has a metric that requires a standard phrase to be read at the end of each call that advises the pilot to file in-flight weather information by radio. Failure to provide this standard phrase is a penalty to Lockheed Martin and also impacts dollars that would go to the workforce. The phrase is unnecessary for a majority of briefings, especially training flights and those who call for specific information, not a full route briefing.

This hearing serves an important purpose. It let's pilots know that our Congress (the Board of Directors, so to speak, of the FAA) cares about this vital service. It also serves to make them aware that you know the problems it has and are occurring. I encourage you to ask pilots in your District, "how goes it, with the new Flight Service," at any opportunity that arises. That is what AOPA has been doing, and will continue to do, with surveys like those presented earlier in this testimony. And today I pledge that AOPA will make that survey data of our members and all pilots available to the FAA, Lockheed Martin and periodic summaries to this Committee. In return, I would ask, Mr. Chairman, that the FAA be required to submit a report back to this Committee every 90 days, for at least a year, or such time when the report can emphatically state the FS21 service by Lockheed Martin is equal to or better than what it replaced from the FAA.

Thank you for the opportunity to appear before you today, I would be pleased to respond to any questions you may have.