U.S. Department
of Transportation

**Federal Aviation
Administration**

Office of the Administrator

800 Independence Ave., S.W.
Washington, D.C. 20591

May 19, 2016

The Honorable John Thune
Chairman, Committee on Commerce,
Science, and Transportation
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

As required by the FAA Modernization and Reform Act of 2012, H.R. 658 (the Act), Section 315, the Federal Aviation Administration (FAA) is pleased to provide the enclosed report.

The Act directs the FAA to provide an annual report on the Flight Standards Air Carrier Evaluation Program (ACEP), including the Administrator's findings and recommendations with respect to the program. This is the FAA's third annual report on the ACEP.

We have sent identical letters to Chairman Shuster, Senator Nelson, and Congressman DeFazio.

Sincerely,

Michael P. Huerta
Administrator

Enclosure

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May 19, 2016

The Honorable Bill Shuster
Chairman, Committee on Transportation
and Infrastructure
House of Representatives
Washington, DC 20515

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May 19, 2016

The Honorable Bill Nelson
Committee on Commerce,
Science, and Transportation
United States Senate
Washington, DC 20510

Dear Senator Nelson:

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800 Independence Ave., S.W.
Washington, D.C. 20591

May 19, 2016

The Honorable Peter A. DeFazio
Committee on Transportation
and Infrastructure
House of Representatives
Washington, DC 20515

Dear Congressman DeFazio:

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Michael P. Huerta
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FEDERAL AVIATION ADMINISTRATION

Annual Report to Congress: Flight Standards Air Carrier Evaluation Program – FY 2014

FAA Modernization and Reform Act of 2012 (P.L. 112-95) – Section 315

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Table of Contents

Introduction 3
National ACEP Accomplishments 5
National ACEP Results - ADI Scores 7
Comparison of ACEP Assessment Scores to Scores from Prior Assessment of that Element by Certificate Management Team (CMT) 11
Actions Taken by CMOs as a Result of ACEP Findings 12
Findings and Recommendations 15

List of Tables

Table 1 National ACEPs by Operator in FY2014: Elements and Activities Completed and Travel Costs 5
Table 2 DA and PA Elements Included in All FY2014 ACEP Assessments Combined 6
Table 3 Design Assessment ADI Scores 8
Table 4 Performance Assessment ADI Scores 8
Table 5 ADI Scores Assigned in FY2014 ACEP Assessments 9
Table 6 National ACEP -- Elements in FY2014 Assigned ADI Scores of 6-Red 9
Table 7 National ACEP Assessment Scores for Individual Core Elements with Totals of Scores for All Elements Combined* – FY2014 -- *Sorted by Average Score* 10
Table 8 FY2014 ACEP Assessment Scores *Number of elements* 11
Table 9 FY2014 ACEP Assessment Scores *Percent of elements from ACEPs* 11
Table 10 Prior CMT Scores *Number of elements* 11
Table 11 Prior CMT Scores *Percent of elements w/ prior CMT scores* 11
Table 12 Actions Taken as a Result of All FY2014 National ACEP Assessments 13
Table 13 Elements Involving EIRs as a Result of FY2014 ACEP Assessments 13
Table 14 Elements in which System Reconfigurations Were Initiated as a Result of FY2014 ACEP Assessments 14
Table 15 Elements in which Risk Management Plans (RMPs) Were Initiated as a Result of FY2014 ACEP Assessments 14

List of Figures

Figure 1 Comparison of FY2014 ACEP Assessment Scores to Prior CMT Assessment Scores Percent of Elements 11

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Introduction

On February 14, 2012, President Obama signed into law the FAA Modernization and Reform Act of 2012 (FAA 2012). Section 315 requires the Federal Aviation Administration (FAA) to submit a report on the Flight Standards Evaluation Program (FSEP), including the Administrator's findings and recommendations with respect to the program. We respectfully draw your attention to the fact that the FSEP program, referenced in section 315, was established under FS1100.1B, for the auditing of FAA Flight Standards office processes to ensure quality assurance, and not for the auditing or review of air carrier inspections or operations. A different program, the Air Carrier Evaluation Process (ACEP), established under FAA Order 8900.1, meets the intent and requirements of Section 315. Accordingly, this report provides the Administrator's findings and recommendations with respect to the ACEP, rather than the FSEP.

The ACEP program was developed in response to the recommendations in 2008 from the Independent Review Team (IRT)[1] and the DOT Office of Inspector General (OIG).[2] The ACEP program conducts periodic reviews of the effectiveness of 14 CFR Part 121 Air Transportation Oversight System (ATOS) design and performance.

Air carrier evaluations (ACEPs) are conducted under the authority of Title 14 of the Code of Federal Regulations (14 CFR) part 119, §119.59 and in accordance with FAA policy.[3] Details of the ACEP are documented in accordance with AFS-900-006 of the FAA Office of Aviation Safety (AVS) Quality Management System (QMS) process. Regulatory compliance is validated by Flight Standards National Field Office ACEP Teams using Air Transportation Oversight System (ATOS) business process modules.[4] The results are recorded and maintained in the FAA's ATOS database. Analysis and assessment results are based on the data collected. Any action(s) relative to the air carrier is initiated by the FAA Certificate Management Team (CMT) that oversees the air carrier.

The objectives of each ACEP evaluation are to:

- Verify the air carrier complies with applicable regulations;
- Evaluate whether the air carrier is operating at the highest possible degree of safety in the public interest in accordance with Title 49 Section 44702; and

[1] Department of Transportation's (DOT) Independent Review Team (IRT) Blue Ribbon Panel report "Managing Risks In Civil Aviation: A Review of the FAA's Approach to Safety" (September 2008): Recommendation 10 – "The FAA should deploy the Internal Assistance Capability (IAC) recently established, to review the composition and conduct of any office or team identified under recommendation 6.4.2."

[2] Memorandum from Calvin L. Scovel III, DOT Inspector General, to Acting Federal Aviation Administrator, June 30, 2008, "Review of FAA's Safety Oversight of Airlines and Use of Regulatory Partnership Programs," Federal Aviation Administration Report Number AV-2008-057. Recommendation 7 – "Create a national review team to conduct periodic quality assurance reviews of FAA's oversight of air carrier to ensure that (a) appropriate processes and procedures are being applied consistently and (b) pertinent policies, laws, and regulations are being followed."

[3] FAA Order 8900.1, Volume 10, Chapter 4, Section 1.

[4] Set by FAA Policy and defined in FAA Order 8900.1, Volume 10, Chapter 1, Section 1.

- Identify hazards and suggest mitigation strategies.

Air carriers are selected for evaluation approximately 12 months after initial certification and through a random selection process that ensures each air carrier is evaluated at least once every 5 years. An average of 5 air carriers per quarter are selected for evaluation and may include 1 large air carrier (55 or more aircraft), 1 medium air carrier (26–54 aircraft), and 3 small air carriers (25 or fewer aircraft).

The FAA also reviews various databases when scheduling evaluations for National ACEPs. This review may cause the FAA to alter the ACEP scheduling priority. These databases include facts such as accidents and incidents, enforcement activities, pilot deviations, past assessments, financial condition and other information.

We note that the FAA's ACEP process complies with the requirements of Section 315(a)(2) of FAA 2012, as no individual may be assigned to a National ACEP if that person had responsibility for inspecting, or overseeing the inspection of, the operations of that carrier in the five-year period preceding the date of the evaluation.[5]

The National ACEP provides the FAA with the following:

- Consistent application of regulations/policy across all certificate-holding district offices;
- An independent evaluation of air carrier compliance;
- Standardization of the oversight process;
- Alerts for a system malfunction;
- Identification of inconsistencies in regulatory philosophies; and
- Data on Design Assessment and Performance Assessment results that can be trended.

Section 315 includes a requirement for FAA to prepare an annual report as follows:

> *(b) ANNUAL REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the Flight Standards Evaluation Program, including the Administrator's findings and recommendations with respect to the program.*

This report has been prepared to fulfill that requirement.

[5] FAA AVS Quality Management System, QPM #AFS-900-006, Revision 7, "National Air Carrier Evaluation Process (ACEP)," Effective Date: 12/05/2013, Page 8 of 13.

National ACEP Accomplishments

The ACEP program is run by the FAA's Flight Standards National Field Office (AFS-900) Certification and Evaluation Program Office (CEPO). The ACEP assessments are conducted by eight teams of Aviation Safety Inspectors (ASIs).

In Fiscal Year (FY) 2014, the FAA conducted 11 ACEP assessments. Fewer ACEP assessments were completed in first quarter of FY 2014 due in part to the government shutdown during the first few weeks of the fiscal year. In addition, the temporary reassignment of some CEPO staff to support the FAA's transition to a new oversight system (Safety Assurance System - SAS) led to a staffing shortfall of 15 team members within CEPO. The staffing shortfall contributed to AFS-900's inability to complete five ACEPs in each of the last three quarters of FY 2014.

Table 1 shows the number of Design Assessment (DA) and Performance Assessment (PA) elements that were evaluated in each ACEP in FY 2014.

Table 1
National ACEPs by Operator in FY 2014:
Elements and Activities Completed

Fiscal Year/ Quarter	Operator	Operator Size	DA Elements	PA Elements
FY2014 Q2	Amerijet International	S	3	11
	Elite Airways	S	3	9
	Frontier Airlines	L	6	16
	Key Lime Air Corp.	M	0	17
	Shuttle America	L	4	15
	Sky Lease Cargo	S	4	18
FY2014 Q3	Caribbean Sun Airlines	S	5	14
	PSA Airlines	L	5	18
	Tatonduk Oufitters Ltd	S	3	15
FY2014 Q4	Hawaiian Airlines	M	4	11
	Southwest Airlines	L	7	24
Total	**11 Operators**		**44**	**168**

Operator Size Categories: L = 55 or more aircraft, M = 26-54 aircraft, S = 25 or fewer aircraft

Table 2 shows all Design Assessment (DA) and Performance Assessment (PA) elements that have been completed to date under the ACEP program. The table also indicates the "core elements" (with shading) that are recommended for inclusion in each ACEP. The FAA selects the specific DA and PA elements to be included in each ACEP based on the air carrier's operation.

Table 2
DA and PA Elements Included in All FY 2014 ACEP Assessments Combined

Element	Design Assessments Completed	Performance Assessments Completed	Total
1.3.1 Maintenance Program	2	9	11
1.3.2 Maintenance / Inspection Schedule	1	5	6
1.3.4 Required Inspection Items (RII)		3	3
1.3.5 MEL/CDL/Deferred Maintenance		6	6
1.3.6 Airworthiness Directives and Maintenance Record Requirements	1	7	8
1.3.7 Maintenance Providers		8	8
1.3.9 Major Repairs and Alterations		10	10
1.3.11 Continuous Analysis and Surveillance System (CASS)	8	5	13
1.3.15 Reliability Program		1	1
1.3.18 De-Icing Program		2	2
1.3.25 Cargo Handling Equipment, Systems and Appliances		5	5
3.1.1 Passenger Handling		8	8
3.1.2 Crewmember Duties / Cabin Procedures		9	9
3.1.3 Airman Duties / Flight Deck Procedures		11	11
3.1.4 Operational Control	1	9	10
3.1.5 Carry-On Baggage Program	1	6	7
3.1.6 Exit Seating Program		5	5
3.1.7 De-Icing Program		1	1
3.1.8 Carriage of Cargo		1	1
3.1.9 Airplane Performance Operating Limitations		1	1
3.2.1 Dispatch/Flight Release		11	11
3.2.2 Flight/Load Manifest/Weight and Balance Control		10	10
3.2.3 MEL/CDL/NEF Procedures	2	3	5
4.2.3 Training of Flight Crewmembers	7	2	9
4.2.4 Training of Flight Attendants	7	1	8
4.2.5 Training and Qualification of Dispatchers/Flight Followers	7	2	9
4.2.6 Training of Station Personnel		2	2
4.2.7 Training of Check Airmen and Instructors	4		4
5.1.1 Line Stations		10	10

Element	Design Assessments Completed	Performance Assessments Completed	Total
5.1.5 Line Station Operations/Ground Personnel Duties		9	9
5.1.8 Extended Range Operations with Two-Engines Airplanes (ETOPS) (AW)		1	1
5.1.8 Extended Range Operations with Two-Engines Airplanes (ETOPS) (OPS)	1		1
6.1.2 Flight Crewmember Flight/Duty/Rest Time		2	2
6.1.3 Flight Attendant Duty/Rest Time	1		1
7.1.6 Maintenance Control		2	2
7.2.1 Safety Program (Ground and Flight)	1	1	2
Total	**44**	**168**	**212**

Note: PA Core elements include choices: 1.3.5 or 3.2.3; 1.3.18 or 3.1.7; 5.1.1 or 5.1.5.
ACEP core elements are shaded

National ACEP Results - ADI Scores

An outcome of the ATOS business process is the Assessment Determination and Implementation (ADI) Scores – Design Analysis and Assessment (for Design Assessments) and Performance Analysis and Assessment (for Performance Assessments). The analysis and assessment process modules are used to make a bottom-line assessment to determine whether or not the air carrier's system design meets the standards for acceptance or approval (for DAs) and to determine if the air carrier's system performs as intended by regulations in such a way that it controls environmental hazards (for PAs).

The ATOS analysis and assessment process requires analysis of the Safety Attribute Inspection (SAI) data by element (for DAs) or Element Performance Inspection (EPI) data by element (for PAs). Specifically, the process requires reviews to responses to SAI or EPI questions for that element, including "No" responses and explanations, "Yes" responses and comments, responses by question category and drop-down menu subjects, questions responded to as "Not Applicable," and text entered in the "Inspector Action Taken" box. The FAA assesses the data analysis package, comparing analyzed and assessed SAI/EPI data for the current DA or PA with historical data and other data for the Element. After assessing the ATOS data analysis package, we determine whether the air carrier system design for that element meets the requirements for either continued approval or acceptance, or initial approval or acceptance.

For a DA, once the bottom-line assessment is complete, we accept or reject the design and assign a numerical ADI score from 1 to 6, as described in Table 3. The planning of corrective actions to be taken is conducted under the standards of an ATOS business module as well.

Table 3
Design Assessment ADI Scores

ADI Score	Assessment Result		Action Required
1-Green	Design Approved	No issues observed	No action required
2- Green	Design Approved	Minor issues observed	No action required
3-Yellow	Design Approved	Minor issues observed	Mitigation required
4-Yellow	Design Approved	Major issues observed	Mitigation required
5-Yellow	Design Approved	Safety and/or regulatory issues observed	Mitigation required
6-Red	Design Rejected	Systemic safety and/or regulatory issues observed	System reconfiguration by air carrier or applicant required

For a PA, we have a similar process, deciding whether or not to affirm performance and assigning a numerical ADI score from 1 to 6, as described in Table 4.

Table 4
Performance Assessment ADI Scores

ADI Score	Assessment Result		Action Required
1-Green	Performance Affirmed	No issues observed	No action required
2- Green	Performance Affirmed	Minor issues observed	No action required
3-Yellow	Performance Affirmed	Minor issues observed	Action Required
4-Yellow	Performance Affirmed	Issues of concern observed	Action Required
5-Yellow	Performance Not Affirmed	Safety and/or regulatory issues observed	Action Required
6-Red	Performance Not Affirmed	Systemic safety and/or regulatory issues observed	System reconfiguration by air carrier or applicant is required

The ADI scores assigned in ACEP assessments in FY2014 are shown in Table 5.

Table 5
ADI Scores Assigned in FY 2014 ACEP Assessments

ADI Score	Design Assessments		Performance Assessments	
	Number of Elements	Percent of DAs	Number of Elements	Percent of PAs
1-Green	5	11%	62	37%
2- Green	1	2%	7	4%
3-Yellow	15	34%	27	16%
4-Yellow	13	30%	42	25%
5-Yellow	8	18%	30	18%
6-Red	2	5%	0	0%
Total	**44**	**100%**	**168**	**100%**

The specific elements that were given the most serious ADI score of 6-Red during ACEPs in FY2014 are listed in the following table:

Table 6
National ACEP -- Elements in FY 2014 Assigned ADI Scores of 6-Red

Element	DA	PA
3.2.3 MEL/CDL/NEF Procedures	1	0
4.2.3 Training of Flight Crewmembers	1	0
Total	**2**	**0**

ACEP core elements are shaded

Table 7 shows the average ADI scores for each of the core ACEP elements for FY2014, sorted by the average score received across all the assessments of each element. The DA core elements with the highest average scores were 4.2.3 Training of Flight Crewmembers, 4.2.4 Training of Flight Attendants, and 4.2.5 Training and Qualification of Dispatchers/Flight Followers, each averaging a score of 3.9. The PA core element with the highest average score was 5.1.8 Extended Range Operations with Two-Engines Airplanes (ETOPS)-Airworthiness (AW); however, this was based on just one score of "4" at one operator. PA core elements with the next highest average scores were 1.3.1 Maintenance Program, 1.3.7 Maintenance Providers, and 5.1.5 Line Station Operations/Ground Personnel Duties. Note that the scores at individual operators for these three elements were quite variable, ranging from 1 to 5.

Table 7
National ACEP Assessment Scores for Individual Core Elements with Totals of Scores for All Elements Combined* – FY 2014 -- *Sorted by Average Score*

Element	1-G	2-G	3-Y	4-Y	5-Y	6-R	Total Assessments	Average Score**
Design Assessments (DAs)	*Number of Times Score was Assigned*							
4.2.3 Training of Flight Crewmembers	1	0	1	1	3	1	7	***4.1***
4.2.5 Training and Qualification of Dispatchers/Flight Followers	0	0	2	2	3	0	7	***4.1***
4.2.4 Training of Flight Attendants	0	1	2	2	2	0	7	***3.7***
1.3.11 Continuous Analysis and Surveillance System (CASS)	2	0	2	4	0	0	8	***3.0***
4.2.7 Training of Check Airmen and Instructors	1	0	1	2	0	0	4	***3.0***
All DAs (Core & Non-Core)*	**8**	**8**	**24**	**33**	**18**	**6**	**97**	***3.6***
Performance Assessments (PAs)	*Number of Times Score was Assigned*							
5.1.8 Extended Range Operations with Two-Engines Airplanes (ETOPS)-AW	0	0	0	1	0	0	1	***4.0***
1.3.1 Maintenance Program	2	1	0	2	4	0	9	***3.6***
3.1.3 Airman Duties / Flight Deck Procedures	2	0	3	3	3	0	11	***3.5***
5.1.5 Line Station Operations/Ground Personnel Duties	2	0	1	4	2	0	9	***3.4***
1.3.6 Airworthiness Directives and Maintenance Record Requirements	1	0	3	1	2	0	7	***3.4***
3.1.4 Operational Control	2	0	2	4	1	0	9	***3.2***
1.3.25 Cargo Handling Equipment, Systems and Appliances	1	0	1	3	0	0	5	***3.2***
3.2.2 Flight/Load Manifest/Weight and Balance Control	4	1	0	1	4	0	10	***3.0***
1.3.9 Major Repairs and Alterations	4	0	2	1	3	0	10	***2.9***
1.3.7 Maintenance Providers	3	0	1	4	0	0	8	***2.8***
3.1.5 Carry-On Baggage Program	3	0	0	2	1	0	6	***2.7***
3.2.3 MEL/CDL/NEF Procedures	1	0	1	1	0	0	3	***2.7***
3.1.2 Crewmember Duties / Cabin Procedures	5	0	1	1	2	0	9	***2.4***
3.1.6 Exit Seating Program	3	0	0	1	1	0	5	***2.4***
5.1.1 Line Stations	4	1	3	1	1	0	10	***2.4***
3.2.1 Dispatch/Flight Release	5	1	2	2	1	0	11	***2.4***
1.3.5 MEL/CDL/Deferred Maintenance	3	0	2		1	0	6	***2.3***
1.3.2 Maintenance / Inspection Schedule	2	1	1	1	0	0	5	***2.2***
3.1.1 Passenger Handling	5	1	1		1	0	8	***1.9***
1.3.18 De-Icing Program	2	0	0	0	0	0	2	***1.0***
3.1.7 De-Icing Program	1	0	0	0	0	0	1	***1.0***
All PAs (Core and Non-Core)*	**55**	**6**	**24**	**33**	**27**	**0**	**145**	***2.8***

**Scores for non-core elements are not shown individually, but are included in the totals.*
***Avg Score = the sum of (each ADI Score x number of times the score was assigned)/ by total assessments.*

Comparison of ACEP Assessment Scores to Scores from Prior Assessment of that Element by Certificate Management Team (CMT)

The ADI score from each ACEP element at each operator was compared to the ADI score from the prior assessment of that element conducted by the local Certificate Management Team (CMT).

Table 8
FY 2014 ACEP Assessment Scores
Number of elements

Score	DA	PA	Total
1	5	62	67
2	1	7	8
3	15	27	42
4	13	42	55
5	8	30	38
6	2	0	2
Total	**44**	**168**	**212**

Table 9
FY 2014 ACEP Assessment Scores
Percent of elements from ACEPs

Score	DA	PA	Total
1	11%	37%	32%
2	2%	4%	4%
3	34%	16%	20%
4	30%	25%	26%
5	18%	18%	18%
6	4.5%	0.0%	0.9%
Total	**100%**	**100%**	**100%**

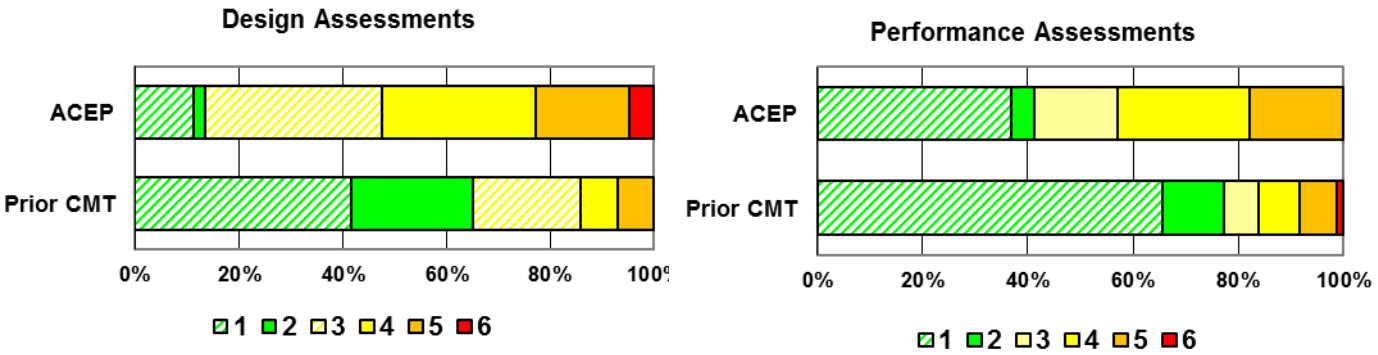
Table 10
Prior CMT Scores
Number of elements

Score	DA	PA	Total
1	18	110	128
2	10	20	30
3	9	11	20
4	3	13	16
5	3	12	15
6	0	2	2
No prior	*1*	*0*	*1*

Table 11
Prior CMT Scores
Percent of elements w/ prior CMT scores

Score	DA	PA	Total
1	42%	65%	61%
2	23%	12%	14%
3	21%	7%	9%
4	7%	8%	8%
5	7%	7%	7%
6	0.0%	1.2%	0.9%

Figure 1
Comparison of FY 2014 ACEP Assessment Scores to Prior CMT Assessment Scores
Percent of Elements



Actions Taken as a Result of ACEP Findings

The FAA addresses any element scored 3, 4, 5, or 6, and ensures any associated risk is mitigated to an acceptable level. The most common corrective actions taken, in general order of most serious to less serious, are as follows:

- Suspension of Certificate: If identified safety problems are severe enough, the FAA can suspend the operating certificate of a carrier. For example, in 2011, one Part 121 operator voluntarily suspended operations and did not exercise the privileges of its certificate for about two weeks as a result of problems identified through an ACEP assessment. During the suspension, the safety issues were addressed by the operator with FAA guidance, and FAA approved resumption of operations.
- Initiation of Enforcement Investigation Report (EIR): An EIR is initiated if an air carrier is (or has been) conducting operations contrary to applicable FAA regulations.
- System Reconfiguration: When the air carrier's system design is rejected or performance is not affirmed due to a systemic problem and/or a regulatory issue is observed, the CMO must take action. The air carrier may be required to modify its system or the FAA may modify its authorizations.
- Risk Management Process (RMP): The Risk Management Process provides a structured, systematic means for the FAA and operator to collaboratively document and track hazards and to oversee and evaluate the disposition of associated risks.
- Planning of Constructed Dynamic Observation Reports (ConDORs): A ConDOR allows data collection activities to be requested by Principal Inspectors and assigned to ASIs with instructions to inspect and collect data on specific areas of immediate concern outside of the normal assessment schedule.
- Planning of Additional PA or DA: Inspection activities not previously scheduled can be added to the CMT work plan to provide additional surveillance of particular areas of concern.
- Letter to Operator: Particular findings of the assessment process can be formally transmitted to the operator.

Table 12 summarizes the types of actions that were taken as a result of the 11 National ACEPs in FY 2014.

Table 12
Actions Taken as a Result of All FY 2014 National ACEP Assessments
(212 total elements assessed)

Action Taken	Number of Elements
Suspension of Certificate	0
Initiation of Enforcement Investigation Report (EIR)	13
System Reconfiguration	5
Risk Management Process (RMP)	4
Constructed Dynamic Observation Report (ConDOR)	54
Additional PA or DA	12
Letter to Operator	97

The Enforcement Investigation Reports (EIRs) initiated as a result of FY2014 ACEPs involved six of the 11 ACEP operators, or 55 percent. One of these operators had EIRs initiated for four ATOS elements, one operator had three elements involved, while the other four operators had one or two elements each involved in EIRs. EIRs were initiated as a result of three FY2014 ACEP Design Assessments and ten FY 2014 ACEP Performance Assessments, as shown in the following table.

Table 13
Elements Involving EIRs as a Result of FY 2014 ACEP Assessments

ATOS Element	Number of DA Elements	Number of PA Elements
1.3.5 MEL/CDL/Deferred Maintenance		2
1.3.6 Airworthiness Directives and Maintenance Record Requirements		1
1.3.9 Major Repairs and Alterations		1
3.1.4 Operational Control		1
3.1.9 Airplane Performance Operating Limitations		1
3.2.2 Flight/Load Manifest/Weight and Balance Control		1
3.2.3 MEL/CDL/NEF Procedures	1	
4.2.3 Training of Flight Crewmembers	1	1
4.2.5 Training and Qualification of Dispatchers/Flight Followers	1	
5.1.5 Line Station Operations/Ground Personnel Duties		2
Total	**3**	**10**

The System Reconfigurations initiated as a result of FY 2014 ACEPs involved two of the 11 ACEP operators, or 18 percent. One of these operators had System Reconfigurations initiated on four ATOS elements and the other operator had a System Reconfiguration initiated on a single element. System Reconfigurations were initiated as a result of three FY 2014 ACEP Design Assessments and two FY 2014 ACEP Performance Assessments, as shown in the following table.

Table 14
Elements in which System Reconfigurations Were Initiated as a Result of FY 2014 ACEP Assessments

ATOS Element	Number of DA Elements	Number of PA Elements
1.3.9 Major Repairs and Alterations		1
3.2.2 Flight/Load Manifest/Weight and Balance Control		1
3.2.3 MEL/CDL/NEF Procedures	1	
4.2.3 Training of Flight Crewmembers	1	
7.2.1 Safety Program (Ground and Flight)	1	
Total	**3**	**2**

The Risk Management Plans (RMPs) initiated as a result of FY 2014 ACEPs involved three of the 11 ACEP operators, or 27 percent. One of these operators had RMPs initiated on two ATOS elements and the other two operators had RMPs initiated on one element each. RMPs were initiated as a result of one FY 2014 ACEP Design Assessments and three FY 2014 ACEP Performance Assessments, as shown in the following table.

Table 15
Elements in which Risk Management Plans (RMPs) Were Initiated as a Result of FY 2014 ACEP Assessments

ATOS Element	Number of DA Elements	Number of PA Elements
1.3.1 Maintenance Program		1
1.3.2 Maintenance / Inspection Schedule	1	
1.3.9 Major Repairs and Alterations		1
3.2.3 MEL/CDL/NEF Procedures		1
Total	**1**	**3**

Findings and Recommendations

The FAA finds the ACEP assessments to be a very valuable addition to the Part 121 air carrier oversight program. The FAA believes that the ACEP program and assessments satisfy the intent of Section 315 in requesting periodic and random reviews as part of the FAA's oversight of air carriers. The ACEP program has supported FAA field offices with additional technical expertise to identify issues that were difficult to recognize at that level and provided information and training to managers and inspectors that has increased their skill sets. The program also provides senior FAA management with an additional oversight tool to identify regional and/or national trends. The FAA intends to continue the ACEP assessments without changes from the current process. Five ACEPs are scheduled per quarter, but that number may be modified due to Agency priorities. The FAA is nearly on track to meet the objective of conducting at least one ACEP every five years at each Part 121 air carrier. The FAA will continue to review the ACEP program and improve it when and where warranted.