

PUBLIC SERVICE OPERATORS

Discussion Leaders

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OPERATING COSTS

Manufacturer Cost Estimates

Direct operating cost estimates from manufacturers have been understated in some cases. For the most part they have been found to be overly optimistic and fail to take into account varying operating environments.

Recommendation

Manufacturers should be encouraged to provide direct operating cost projections based on the anticipated operating environment.

Discussion

Manufacturers should base direct operating cost estimates on the anticipated mission environment rather than a generic best case or average scenario. Terrain and mission have a major influence on expected operating costs. For example, operations in the desert, areas of high temperature, high elevation, salt air, or other adverse conditions, coupled with the demanding missions frequently conducted by public service operators should be taken into consideration when calculating direct operating cost (DOC).

Failing to provide representative data frequently results in loss of credibility, arguments, user disappointment, and ultimately the perception that information provided by the manufacturer is overly optimistic or at least suspect. This information is critical when calculating costs for the purchase and maintenance of aircraft. Ultimately, manufacturer credibility is eroded, particularly among government officials responsible for authorization and budget approval.

Data on the expected life of components could be gathered by incorporating a mission profile statement into the failure reporting forms currently being used. Public service operators would be willing to work with manufacturers in collecting the required data.

Calculation of DOC

The industry has no uniform method for calculating DOC.

Recommendation

Standardize the industry DOC guidelines.

Discussion

The industry does not appear to differentiate between collective or engine time when expressing use time for components. This frequently leads to confusion about the cost of operations. Reported operating time can vary by 15-20 percent depending on how the log of hours is kept.

Calculations should either be reported in a standardized way or perhaps figured on the basis of both collective and engine time when estimating component life.

A reporting format useful to operators should include a table or graph showing costs at a variety of operating conditions. These include operating environment, type of mission, and cycle accumulation per hour.

Reporting Operating Time

The reporting of operating time is not standardized.

Recommendation

Standardize the method for reporting time on components.

Discussion

This recommendation is closely related to the previous recommendation on standardizing industry DOC guidelines. By standardizing the method of reporting, the accounting for depreciation would be simplified.

Service Bulletins

Service bulletins sometimes cause excessive downtime and expense.

Recommendation

Manufacturers should tighten up their internal review process to ensure there is a real need for each service bulletin and that the logistics for making modifications are in place.

Discussion

There have been instances where a bulletin was issued and complied with only to have the manufacturer amend it to include additional requirements later. This causes extra downtime and expense.

Insurance

Insurance rates for safe operators are driven up by unsafe operators.

Recommendation

Insurance brokers should collect more actuarial data on helicopter operations to establish different rates based on safety records.

Discussion

There is a concern among operators that the insurance industry pools all expense claims for similar operations and calculates one rate for all. There is also a concern that the insurers do not monitor all accidents and incidents, only those that result in a claim for payment. An actuarial system of the sort recommended would allow insurers to identify operators with a number of mishaps who are likely will have a large claim in the future and thus drive up costs for all operators.

BUDGET AND PLANNING**Total Cost**

There is no economic model available for use by the public service sector to calculate total cost.

Recommendation

Under the leadership of HAI and the Airborne Law Enforcement Association (ALEA) develop an economic model for use by the public service sector.

Discussion

With the availability of funding for public service helicopters becoming more critical, the need for accurate cost information gains new importance. Budgeting for additional or replacement aircraft and maintaining existing aircraft increases the need for accurate information on which to base budget estimates. Improved estimates of total cost are essential for realistic and accurate management of funds.

A standard DOC methodology is not any closer than it was twenty years ago. The HAI "Guide for the Presentation of Helicopter Cost Estimates" (yellow book) was published almost five years ago, yet questions and differences in methodology persist.

Maintenance Personnel Requirements

Requirements for the number of helicopter maintenance personnel based on the type of aircraft being used is not available.

Recommendation

HAI should publish maintenance support requirements for the various types of aircraft in use by the industry.

Discussion

This matter is critical to forecasting the number of support personnel necessary when either acquiring new aircraft or establishing maintenance operations for existing aircraft.

Other Issues

There were several other matters discussed by the public service operators group. These items were not resolved or specified as action items, but they should be considered when developing an economic model.

- 1) Public agencies sometimes receive payment for services rendered. Some departments keep the revenue for equipment and maintenance while others direct revenue to the general operating fund of their local government.
- 2) The rules for depreciating helicopters for budget planning vary among agencies. There are no guidelines for the time period over which a helicopter should be depreciated.
- 3) Manufacturers should define the useful life of helicopters in different operating environments.
- 4) The need for a public service sector economic model is great enough that HAI and ALEA should combine resources to develop one.

REGULATION**Foreign Pilots**

An increased number of pilot trainees who do not speak English are entering flight schools. There is concern that students who do not speak English adequately will not be able to fly safely in a congested environment where clear communication is essential.

Recommendation

FAA should establish procedures to verify the ability of pilot trainees to speak, read, and write English before permitting them to make training flights.

Discussion

Hazards are increasing, particularly in southern California, where a number of pilot trainees do not speak English. The rush for students by training schools appears to have brought about a general relaxation of the requirement for familiarity with English.

Adequacy of Required Flying Time

The flight hours required for both helicopter pilot and Certified Flight Instructor (CFI) certification do not appear to be adequate in the current operating environment.

Recommendation

FAA should consider increasing the number of hours required for certification as a helicopter pilot or as a flight instructor.

Discussion

The students coming out of civilian flight training, where they have earned either helicopter pilot certificates or CFI ratings, do not measure up to the standards appropriate for the industry. Additional training is necessary to meet minimum acceptability.

Bogus Parts

The problem of bogus parts continues to be a concern to helicopter operators.

Recommendation

HAI, FAA, and manufacturers should combine forces to end the problem of bogus parts on the market. This action should include criminal and civil prosecution of firms that allow such parts to enter the inventory.

Discussion

The availability of bogus parts and relative ease with which they appear to enter the supply system has been of concern for several years. The initial response was simply to place the responsibility on the mechanic or supply room. The sophistication of markings and product appearance now make this approach no longer practical. Efforts must be made to identify the source of the bogus parts—both the manufacturer and the distributor.

The bogus parts issue is not about qualifying alternate suppliers to compete with original equipment manufacturers. The issue is suppliers that go to the trouble to forge a manufacturer's part number or logo on a box or part and pass them off as authentic. Bogus parts are a serious problem, probably bigger than anyone realizes.

PUBLIC ACCEPTANCE AND SAFETY

Low Flying and Noise

Pilot trainees from civilian flight schools in southern California continue to generate complaints from the public about low flying and failure to comply with the HAI "Fly Neighborly" program.

Recommendation

HAI should work more closely with flight training schools on implementation and acceptance of the "Fly Neighborly" program.

Discussion

Although this problem may be peculiar to southern California where the airspace is crowded and densely populated areas are common, the importance of stimulating adherence to the "Fly Neighborly" program among pilot trainees seems essential. Continued operation of helicopters in the congested areas of the country may well depend on the public acceptance of rotary wing aircraft as being both safe and nonintrusive to the quality of life. Given the number of pilot trainees and training schools in southern California, special emphasis on the "Fly Neighborly" in this region is critical.

Helicopter Noise

Helicopter noise is a growing national problem.

Recommendation

FAA should allow helicopters to operate at higher altitudes when approaching an airport.

Discussion

Requests have been made in Hawaii and Alaska to increase helicopter operating altitudes on approach to those of fixed-wing aircraft. Helicopters everywhere should be permitted to maintain altitude when approaching an airport and descend quickly upon arrival.

Instruction on this procedure should be part of air traffic controller training.

Heliports

Heliports for public service use are lacking throughout the country.

Recommendation

Modify the public service exclusions of the Airport Improvement Program (AIP) to allow FAA funding of public service heliports.

Discussion

If rotary wing aircraft are to achieve full acceptance for operation in congested and built-up areas, there must be enough heliports available to support the use of these aircraft. The need is just as essential for the public service agencies as it is for private and commercial operators. Public service heliports should not be excluded from AIP funding.