

February 2003

Dear DOT Colleagues:

I am pleased to present the U.S. Department of Transportation's (DOT) fiscal year 2004 Performance Plan.

Our top priorities at DOT are to keep the traveling public safe and secure, increase their mobility, and have our transportation system contribute to the nation's economic growth. We have an enviable transportation safety record in the United States; nevertheless, we must constantly seek ways to improve upon that record. Transportation is vital to our national well being, whether measured as economic growth, international competitiveness, or quality of life. However, congestion and delays in transportation burden businesses and individuals with inefficiency and higher costs. We have to continue to find ways to lighten that load.

President Bush and I take pride in what the U.S. Department of Transportation has accomplished over the past fiscal year and what we plan to achieve in the months and years ahead. DOT's fiscal year 2004 Performance Plan contains aggressive goals to address our key transportation priorities: increase transportation safety; enhance mobility for all Americans; support the Nation's economic growth; protect the Nation's environment, and support homeland and national security. I also remain committed to fulfilling the President's management agenda.

DOT's Strategic Plan sets the primary goals in this plan, which focuses on broad outcomes. Behind each of these outcomes, the DOT operating administrations have developed detailed and output-oriented performance goals and tie those goals to accountability for performance. The result: performance goals that match Departmental priorities – especially in resource decisions – and clear lines of accountability for meeting those performance goals.

DOT is making progress towards meeting its goals. In 2002, the Department met 60 percent of its performance measures, an improvement from 2001. We are committed to improving this level of performance, and to do so, we must constantly search for ways to improve our results.

I look forward to working with you to meet that challenge in the year ahead.

Norman Y. Mineta
Secretary of Transportation



U.S.
Department
of
Transportation



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Management challenges for DOT are identified in the following publications:

Top Ten Management Challenges, Report Number PT-2003-012, January 21, 2003

Major Management Challenges and Program Risks, DOT, GAO Report GAO-03-108, dated January 2003

Major Management Challenges and Program Risks, A Government-wide Perspective, GAO Report GAO-03-95, dated January 2003

High-Risk Series, GAO Report GAO-03-119, dated January 2003

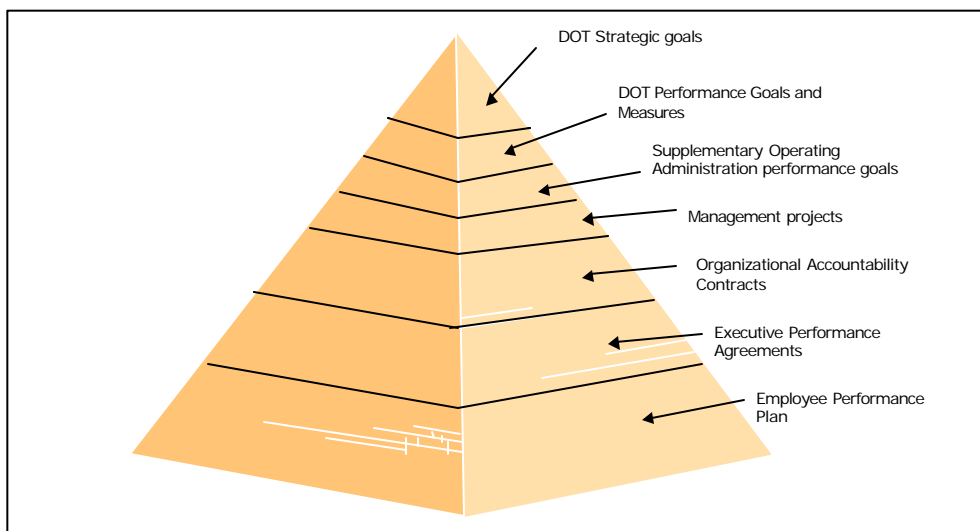
DOT's Performance Plan

The Department of Transportation (DOT) is committed to the President's goals of a citizen-centered, results-based, market-oriented government. Transportation is a key element in the production of goods and services in the United States; it helps maintain our standard of living and supports our Nation's defense. Everything we do at DOT is aimed at making measurable improvements in our transportation system, the security of our Nation, and the quality of American life. In this Plan, we outline how DOT will bring the Department's energy and resources to bear on improving the Nation's transportation system, and focus more sharply on the connection between resources and results in implementing the President's Management Agenda.

We will succeed only when we understand historical trends, study recent results, and use this understanding to form the basis for our strategies and resource decisions. This Performance Plan ensures our clear focus both on outcomes sought, and organizational and individual accountability for them. DOT's management framework is as follows:

- ? The DOT Strategic Plan provides a comprehensive vision for advancing the Nation's complex and vital transportation system into the future. For the next several years, it puts forth broad objectives; targets specific performance outcomes we want to achieve, and identifies key challenges.
- ? The DOT Performance Plan operationalizes the DOT Strategic Plan, and provides strong linkages to DOT's budget request. The Performance Plan defines high-level performance outcome goals, quantifiable measures, and specific performance targets for FY 2004 that will be used to manage the Department and make progress toward our strategic objectives. It provides the 'connective tissue' linking each of the 10 operating administrations' budget documents, which taken together, describe in detail one fiscal year's effort within DOT.
- ? The DOT Performance Report, published separately, provides a public accounting of performance against the goals in the FY 2002 plan. This performance baseline provides the 'launch pad' for improvements in results contained in this Performance Plan.
- ? The operating administrations' and the Office of the Secretary's budgets, which describe the nexus between resources that fuel program activities, program outputs, and performance outcomes resulting from the effects created by program outputs.
- ? Accountability agreements, for DOT organizations, executives, and employees tie the philosophy of managing for performance into the Department's culture and daily practices.

This graphic describes how DOT will move from planning, measuring, and reporting on performance, to managing performance:



The DOT Strategic Plan

The DOT Strategic Plan sets forth the overall direction, vision, and mission of the Department. The Strategic Plan covering this Performance Plan is dated July 2000 and covers the years 2000 through 2005. In that plan, citing the Department's enabling legislation from 1966, the purpose of the Department is described:

"The national objectives of general welfare, economic growth and stability, and security of the United States require the development of transportation policies and programs that contribute to providing fast, safe, efficient, and convenient transportation at the lowest cost consistent with those and other national objectives, including the efficient use and conservation of the resources of the United States."

The Strategic Plan provides a mission statement to describe the underlying purpose for Departmental activities, identifies five Strategic Goals that capture the most important outcomes influenced by the Department's programs, and one Organizational Excellence Goal, describing how DOT intends to put the President's Management Agenda into effect in this Cabinet department:

VISION

"A visionary and vigilant Department of Transportation leading the way to transportation excellence and innovation in the 21st Century."

MISSION

"Serve the United States by ensuring a safe transportation system that furthers our vital national interests and enhances the quality of life of the American people."

STRATEGIC GOALS

Safety - Promote the public health and safety by working toward the elimination of transportation-related deaths and injuries.

Mobility - Shape an accessible, affordable, reliable transportation system for all people, goods, and regions.

Economic Growth – Support a transportation system that sustains America's economic growth.

Human and Natural Environment - Protect and enhance communities and the natural environment affected by transportation.

Homeland and National Security - Ensure the security of the transportation system for the movement of people and goods, and support the Homeland and National Security Strategies.

ORGANIZATIONAL EXCELLENCE GOAL

Advance the Department's ability to manage for results and innovation.

How We're Organized

DOT employs almost 60,000 people across the country, in the Office of the Secretary of Transportation (OST) and through ten operating administrations and bureaus, each with its own management and organizational structure:

Federal Aviation Administration

Maritime Administration

Federal Highway Administration

National Highway Traffic Safety Administration

Federal Motor Carrier Safety Administration

Research and Special Programs Administration

Federal Railroad Administration

St. Lawrence Seaway Development Corporation

Federal Transit Administration

Bureau of Transportation Statistics

The Office of the Secretary of Transportation provides overall leadership and management direction, administers aviation economic programs, and provides administrative support. The Office of Inspector

General (OIG) and the Surface Transportation Board (STB), while formally a part of DOT, are decisionally independent by law and are not part of this plan.

How We Select Our Performance Goals and Measures

Performance *goals* articulated below the introductory paragraph of a goal page in the DOT Plan are aimed at achieving one or more strategic outcomes, and convey a sense of how DOT creates value for the American public. Performance measures, however, are aimed at tangible effects created by DOT program activities.

We have tailored performance measures to how DOT gets our work done for each performance goal. When considered along with external factors and information provided in program evaluations, these measurements give valuable insight into the performance of DOT programs. These measures, and the discussion of means and strategies under each, are meant to broadly illustrate how DOT adds value to the nation, and thus do not represent an exhaustive treatment of every activity and performance indicator in the Department. This Performance Plan is a top-level, integrated depiction of managing for results within DOT, presenting a picture of the entire Department, and is not an exhaustive treatment of all DOT programs and activities. Therefore, it should be read in conjunction with the individual operating administrations' budget justifications, which provide more detailed discussion of program-specific performance and resources.

Terminology - We will use the following terminology throughout the plan and report:

Strategic Objective – statement from the DOT Strategic Plan, outlining the desired long-term end state.

Strategic Outcome – statement from the DOT Strategic Plan, outlining nearer-term objectives.

Performance Goal – a performance objective, connecting effects created by Departmental activities and programs, and the resulting influence on strategic outcomes.

Performance Measure - a measurable indicator of progress toward a performance goal, with annual targets.

How We Will Achieve Our Strategic and Organizational Objectives

The Department will achieve its objectives through its leadership role in U.S. transportation policy, operations, investment, and research. To influence results, DOT programs rely on a number of common interventions and actions. These include:

- < *Direct operations and investment in DOT capital assets that provide capability*, such as air traffic control.
- < *Infrastructure investments and other grants*, such as investment in highway, rail, transit, airport, and Amtrak capital infrastructure improvement, and grants for safety, job access, or other important transportation programs.
- < *Innovative financial tools and credit programs*, such as those provided for by the Transportation Infrastructure Finance and Innovation Act, and the Railroad Rehabilitation and Improvement Financing Program.
- < *Rulemaking*, in areas such as equipment, vehicle or operator standards; for improving safety; and for fostering competition in the transportation sector of the U.S. economy.
- < *Enforcement* to ensure compliance, including inspections, investigations, and penalty action.
- < *Technology development and application*, such as fostering new materials and technologies in transportation, and transportation related research.
- < *Education*, such as consumer awareness, and campaigns to influence personal behavior.
- < *Public Information*, such as that provided by the Bureau of Transportation statistics, and each DOT operating administration, so that states, localities, regions, and private sector entities can better plan their activities.

Some of these interventions and actions reside entirely within the Federal Government, but most involve significant partnering with state and local authorities and with the transportation industry. These are the broad areas of action that DOT – and State and local governments – commonly use to bring about desired results. Tax expenditures are also a significant tool by which the Federal Government encourages transportation investment, but do not represent a key tool of intervention by DOT.

This Performance Plan focuses on DOT's five strategic goal areas and the FY 2004 resources and program activities that will enable us achieve results. At the same time, some activities are internal ones – like financial management, procurement, and personnel -- without which the Department could not operate or hope to achieve its goals. The Organization Excellence chapter of this plan focuses on overall DOT efforts to achieve our part of the President's management agenda, ensuring that we are a citizen-centered, results-oriented, Cabinet agency.

Our 2004 Plan: A Reader's Guide

This Plan builds on the suggestions of the General Accounting Office, DOT's Inspector General, and other stakeholders plus what we have learned within our own programs. But foremost, this Plan takes to heart the President's charge to DOT to become more results-based by focusing more closely on the relationship between DOT missions, programs, and resources. Several broad principles have guided us in presenting our performance goals and measures:

For each strategic and organizational objective, we present the key FY 2004 performance goals that will guide our activities and by which we will judge our results. For each performance goal we provide:

- ? A description of the challenge we face – the reason for action
- ? The measures we are using to judge success, and the FY 1999-2004 targets for each
- ? The external factors that may present special challenges in achieving our goal
- ? A discussion of other agencies who share in our efforts, or whose outcome goals we contribute to
- ? FY 2004 activities, resources, and any significant legislation or regulations we propose
- ? Special management challenges (when related to the goal)

An explanation of how we verify and validate our measurements, and detailed information on the source, scope and data limitations for the performance data in this plan and report are provided in Appendix I. In that appendix, we also provide information on our plans to resolve the inadequacies that exist in our performance data.

Setting Annual Performance Targets: DOT's targets for 2004 reflect the gains we think we can make in each goal area. There's no exact science to calibrating "targets" to resources. The goals we've set reflect a combination of current funding, past funding, program initiatives, and the actions of our partners. There is also an element of "stretch" – and realism in our goals. In the end we intend to move results in the right direction.

Integrating FY 2004 Resources With Achievement of Our Goals: A fundamental strength of DOT programs is that existing capacity delivers public value in multiple goal areas. By design, a dollar spent on transportation infrastructure may also advance safety, homeland and national security, mobility, economic growth, and the mitigation of harmful environmental impacts. We again have included graphs linking budgetary resources to performance goals in each performance goal page. In this fashion, we have made the linkage of resources to performance goals more clear. Appendix II shows this information by strategic goal in summary form.

Management Challenges:

The DOT Inspector General and the General Accounting Office have published reports describing a number of problems and challenges facing the Department. We take these issues seriously, and have folded our approach to meeting these challenges into our general efforts to achieve the outcomes we seek for the Nation. In general, where there is a DOT performance goal associated with a specific management challenge, we have included a discussion of the challenge on that goal page, and made it stand out visually by use of a text box, as shown in the example to the right. We also indicate where a Management Challenge relates to more than one performance goal.

Special Focus: Management Challenges

Our performance measures and results are the focus of this combined plan and report. Successful and measurable transportation performance outcomes are our top priority. But how we achieve these results is also vitally important. The public entrusts us not only to improve transportation safety and performance, but also to manage our resources and programs wisely. Throughout this plan and report we identify the key management challenges we must address and overcome as we work towards meeting

DOT Contributions to Common Governmental

Outcomes: DOT's performance is aligned with its legislative mandates, but in some cases there are no "bright lines" separating DOT from other Executive Branch agencies. For instance, in DOT's National Security Strategic goal, we make very important contributions in accordance with our mandates and appropriations, but we are hardly alone in that regard. We contribute to the national security alongside such Departments as Homeland Security, Defense, State, Justice, Commerce, and Energy. Similarly, other agencies, operating within their separate mandates and resource levels, make significant contributions to the nation's transportation system such as the Departments of Defense and Commerce, and the National Aeronautics and Space Administration.

Revisions to Our 2003 Plan:

Every Fall, DOT revises its annual performance plan based on Congress' action on the President's annual budget request, and to improve measures or targets based on additional performance information. This year, due to DOT's operations for the first half of FY 2003 being conducted under a continuing resolution, and due to uncertainties regarding DOT final FY 2003 appropriations as this plan goes to press, we have chosen to display revisions to the FY 2003 plan in this document, rather than publishing them separately. Several goals in the plan associated with the Transportation Security Administration and the U.S. Coast Guard have been removed, reflecting their transfer to the Department of Homeland Security on March 1, 2003. To the extent that performance goals, measures, and targets in this plan indicate differences from last year's plan, this plan is the controlling document.

Performance Goals - Safety

<u>Performance Goal</u>	<u>Page</u>	<u>Data Details</u>
<u>Reduce Fatalities and Injuries</u>		
Highway Safety	8	77
Aviation Safety	13	78
Rail Safety	18	79
Transit Safety	20	80
Pipeline Safety	22	80
Hazardous Materials Safety	24	81

STRATEGIC OBJECTIVE: SAFETY

Promote the public health and safety by working toward the elimination of transportation-related deaths and injuries.

We Aim To Achieve These Strategic Outcomes:

- ? Reduce the number of transportation-related deaths.
- ? Reduce transportation-related injuries.

Safety is our most important strategic goal. Transportation enables the movement of people and goods, fueling our economy and improving our quality of life. However, transportation exposes people, property and freight to the risk of harm. We strive to improve the benefits of transportation while constantly reducing its risk to health and well being. The FY 2004 budget proposes \$14.4 billion for safety programs to maintain our progress in reducing transportation-related fatalities and injuries.

A detailed analysis of our 2004 strategies follows.

Performance Goals

Highway Safety
Aviation Safety
Rail Safety
Transit Safety
Pipeline Safety
Hazardous Materials Safety

HIGHWAY SAFETY: Highway crashes cause 95 percent of all transportation-related fatalities and 99 percent of transportation injuries, and are the leading cause of death for people ages 4 through 33. Alcohol is the single biggest contributing factor to fatal crashes – claiming 17,448 lives in 2001 alone (equating to 41 percent of all crash related fatalities). Just over 12 percent of all people killed in motor vehicle incidents are involved in a crash with a large truck, yet trucks represent only 3.6 percent of registered vehicles and 7 percent of the vehicle-miles of travel. About 25 percent of Americans (or about 70 million people) still do not use safety belts when driving or riding in motor vehicles. The large number of crashes has placed a considerable burden on our Nation's health care system and has affected us significantly economically – reaching \$230.6 billion a year, or an average of \$820 for every person living in the United States. DOT seeks to abate this major public health problem and avoid much pain, suffering, and economic loss to the nation by preventing highway crashes and mitigating the effects when crashes do occur.

Performance Goals:

Reduce highway fatalities per 100 million vehicle-miles traveled to no more than 1.0 in 2008, from 1.7 in 1996.

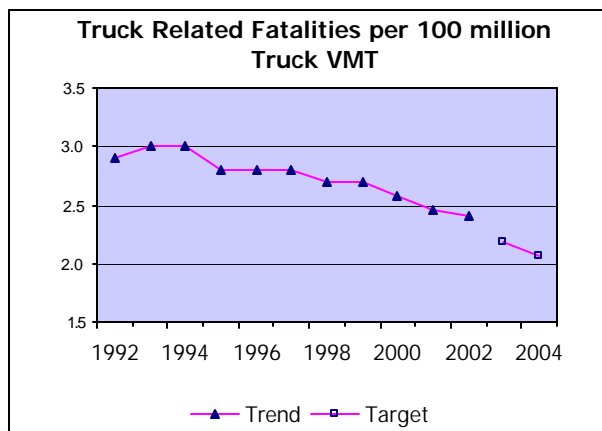
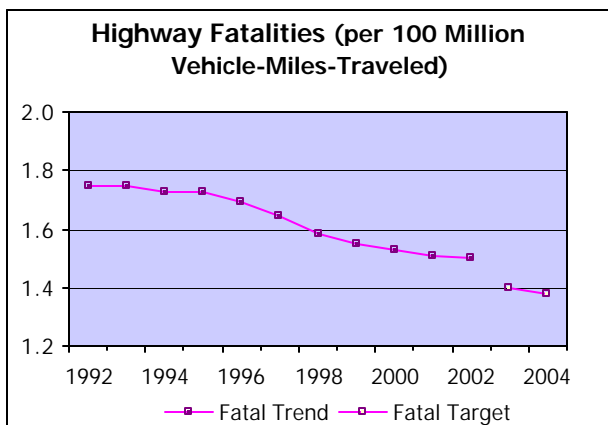
Reduce large truck-related fatalities per 100 million truck vehicle-miles traveled to no more than 1.65 in 2008, from 2.8 in 1996.

Performance measures:

Fatalities per 100 million vehicle-miles of travel (VMT).					
Targets:					
1999	2000	2001	2002	2003	2004
1.6	1.5	1.5	1.4	1.4	1.38
Actual:					
1.55	1.53	1.51	1.50#		

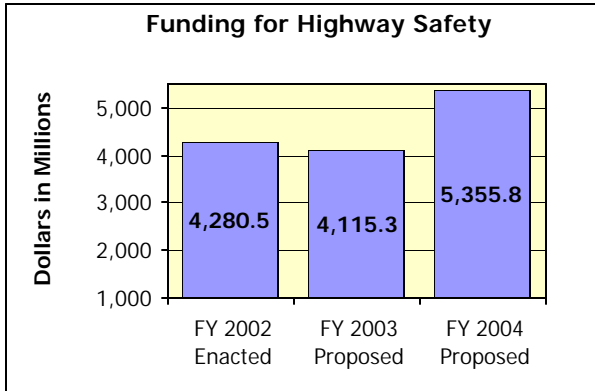
Fatalities in crashes involving large trucks per 100 million truck VMT.					
Targets:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	2.32	2.19	2.07
Actual:					
2.7	2.6(r)	2.45	2.4#		

(r) Revised; # Preliminary estimate.



External Factors: Vehicle travel has increased more than 2 percent per year for the last decade, and truck travel grew over 3 percent annually. The most crash-prone population groups - older drivers (over age 65) and drivers ages 15 to 24 - are growing at faster rates than the overall population. Shifts in the amount of travel, population growth, and employment status have a large influence on the incidence of traffic crashes. Competitive pressures on trucking firms and shipping firms are likely to persist due to the continuing productivity trends in American industry toward inventory-in-motion, just-in-time delivery, and shifting patterns in truckload volume and travel.

Strategies and Initiatives to Achieve 2004 Target: DOT resources attributable to these performance measures are depicted below:



NHTSA's safety programs include research (\$10 million) and rulemakings to prevent and mitigate effects of motor vehicle crashes, consumer educational and other outreach activities, motor vehicle and motor vehicle equipment enforcement activities, demonstration of traffic safety countermeasures, and grants to States to ensure that crash prevention and post-crash response efforts are more effective.

FMCSA conducts research aimed at reducing crashes involving large trucks and buses, collects and analyzes commercial motor vehicle crash data for strategy development, sets standards and oversees State commercial driver licensing programs, inspects motor carriers and individual trucks for compliance, enforces motor carrier safety regulations, conducts outreach to motor carrier and passenger vehicle communities, and carries out a wide-ranging motor carrier safety grant program to help States conduct their motor carrier safety programs.

FHWA conducts research on safer highway infrastructure design, and undertakes outreach efforts with States to share best design and operational practices for pedestrian, bicycle, highway, and at-grade rail crossing safety.

Education and outreach:

NHTSA will focus on: 1) publicizing the dangers of drunk and impaired driving and the benefits of using safety belts; 2) reducing fatalities and injuries associated with fatigued or distracted drivers by developing and deploying educational programs on the safe use of in-vehicle technology; 3) developing and implementing educational programs and material for older drivers and their health care professionals; 4) reducing motorcycle crashes (which now account for almost 8 percent of fatalities), bicycle and

pedestrian crashes (which account for 13 percent of fatalities), and in concert with FHWA and other partners integrating pedestrian and bicyclist safety considerations in highway planning and design; and 5) educating motorists about blind spots around large trucks and buses.

Impaired driving (\$148 million in grants and operations/research): Studies indicate that performance results for alcohol-related fatalities should improve as additional States implement new .08 BAC laws. Due to the FY 2001 DOT Appropriations Act provision establishing a sanction if States fail to adopt a standard of .08 BAC, the number of States with .08 laws has increased from 19 to 34 in addition to the District of Columbia and Puerto Rico. However, NHTSA still plans to analyze all 50 States DWI laws to determine other strengths and weaknesses and recommendations for improvement.

With State and local partners, DOT will implement countermeasures targeting high-risk drivers, including youth 21-34 year olds, and repeat offenders. NHTSA's impaired driving countermeasure operations and research programs will focus on reducing alcohol and drug use associated with driving, and will include developing new supporting materials under the *You Drink and Drive. You Lose.* campaign and two nationwide law enforcement blitzes.

Safety belts (\$205 million in grants and operations/research): NHTSA will continue its safety belt use outreach to high-risk populations – African-Americans, Hispanics, rural and youth populations -- those having traditionally lower than average safety belt use rates and higher fatality rates – and continue to encourage States to embrace "Click It or Ticket" as the message or theme for their Buckle Up Campaigns. Focus group testing has shown that "Click It or Ticket" resonates well with the hard-core non-user of safety belts.

Reducing car-truck crashes: FMCSA will work with FHWA, NHTSA, and State highway safety authorities on the *Share the Road Safely* and *No-Zone* campaigns, which educate motorists about blind spots around large trucks and buses.

Safer infrastructure (totaling \$4.3 billion): FHWA will encourage States' strategic approaches to highway project prioritization through better safety analysis. This will rest on better causal analysis from improved crash data collection and

analysis. At the project level, FHWA will encourage better use of roadway safety audits and reviews, and a re-emphasis on the need to address human factors in transportation system design and operation. FHWA, AASHTO, and ITE will implement the national intersection safety agenda.

Compliance and enforcement:

NHTSA ensures vehicle and equipment manufacturers recall all vehicles and equipment items having safety defects or that do not comply with Federal Motor Vehicle Safety Standards. NHTSA will also support the biannual *Operation ABC (America Buckles Up Children) Mobilizations*. The number of law enforcement agencies supporting this effort has also grown to more than 11,000 agencies during the November 2002 *Mobilization*. NHTSA will also encourage State support of a major new initiative for weekly high-visibility impaired driving enforcement.

FMCSA conducts enforcement activities to ensure compliance with Federal Motor Carrier Safety Regulations (FMCSR) to reduce the number of unsafe drivers and carriers who operate on our roads and at our borders. FMCSA plans 10,000 compliance reviews, 30,000 New Entrant safety audits, and 2 million roadside inspections in 2004 (\$33.2 million).

With the opening of the southern border, FMCSA will ensure Mexican motor carriers operating in this country adhere to the same safety regulations, standards, and norms as domestic and Canadian carriers. FMCSA plans 3,000 border safety audits and 500,000 border inspections in 2004 (\$74.9 million).

A DOT rule mandating drug testing for transportation service providers is another important element of the national effort to reduce both the demand for illegal substances, and the inappropriate use of a legal substance (alcohol) that are precursors to impaired driving.

Infrastructure design, research, regulatory and data programs:

NHTSA rulemakings will address upgraded side impact protection, improved seating systems, school bus and motor bus safety, crash test dummy improvements, glare from headlamps and daytime running lights, and motorcycle safety improvements.

FMCSA and NHTSA will jointly (1) continue the comprehensive crash causation study to determine factors contributing to commercial motor vehicle crashes and countermeasures to prevent future crashes, and (2) implement a Commercial Vehicle Analysis Reporting System (CVARS), to provide data on all truck and bus crashes involving a fatality, injury, or towed vehicle.

FMCSA will press ahead the Information Systems and Safety Strategies Initiatives (ISSSI) including:

- ? development of Unified Carrier Register and New Entrant requirements;
- ? improved commercial vehicle safety data collection and distribution to Federal and State offices; and
- ? the Performance Registration Information and Systems Management (PRISM) program, which provides States with a direct link between carrier safety performance and vehicle registration information will be improved.

FHWA's highway safety focus will be fourfold:

- ? reducing roadway departure crashes (single vehicle run-off-road crashes and head-on or sideswipe crashes from the opposite direction) by encouraging greater use of roadside improvements, such as rumble strips, more use of retro-reflective signs and improved markings, and removal of roadside hazards;
- ? reducing the number of collisions at intersections through better design and by more use of operational tools at risky intersections;
- ? improving pedestrian safety by examining causes of pedestrian-related crashes in major urban areas and selected rural locations, so that States can more carefully target their pedestrian safety programs; and
- ? encouraging States to adopt strategic and performance-based goals, implement data improvement programs, and identify priority improvement projects.

Traffic safety on Federally owned roads continue to be an important concern. Many high-risk segments on federally owned park and recreational roads have not been adequately identified or addressed. FHWA will fund needed

safety improvements and encourage adoption of safety management systems and practices, such as improved crash data collection that improve problem identification and analysis capabilities.

FHWA, NHTSA, FMCSA and FTA are jointly developing technological solutions to improve safety. The Intelligent Vehicle Initiative (IVI) and Intelligent Transportation System programs are developing driver assistance systems to reduce the number and severity of crashes. Systems now under development will warn drivers of dangerous situations and recommend corrective action, or, in some cases, even assume partial control of vehicles to avoid collisions.

Grants:

Highway Safety (\$447 million) and Motor Carrier Safety (\$223 million) grants will continue to provide resources to the States and territories, enabling a more integrated approach to highway and motor carrier safety. NHTSA grants will fund safety belt and impaired driving enforcement, better safety data collection, and provide incentives for strong State highway safety programs. FMCSA grants will fund State-conducted motor carrier inspections and compliance reviews, hazardous materials training, State border safety enforcement programs, public education, and maintenance of an enforcement data collection and reporting system.

Other Federal Programs with Common Outcomes: NHTSA works with the Department of Health and Human Services (HHS) agencies on several public health issues, such as drinking and driving, child safety, and emergency medical services; with the Department of Justice for enforcement issues and the Office of National Drug Control Policy for alcohol and other drug issues; and with the Office of the United States Trade Representative, the Environmental Protection Agency, and the Departments of Commerce, State, and Energy on harmonization of global technical regulations to enhance the safety of motor vehicles and to minimize technical barriers to trade.

FMCSA and NHTSA coordinate southern border safety enforcement efforts with the Department of Homeland Security, and FMCSA is developing and pilot testing the ITDS (International Trade Data System) to consolidate information on motor carrier border crossings to serve safety,

commercial, law enforcement, and national security missions.

FHWA coordinates safe infrastructure programs with the National Park Service and the Bureau of Indian Affairs.

The National Academy of Sciences, primarily through the Transportation Research Board, supports key programs through the use of expert panels and committees that offer essential perspective and advice.

Both DOT and NTSB strive to understand the causes of transportation incidents and to reduce the number of highway-related fatalities and injuries. NTSB investigates significant crashes, helps provide information on causes and potential solutions, helps identify infrastructure enhancements to improve highway safety, and provides recommendations on program improvements.

NHTSA supplementary performance measures:

Alcohol-related fatalities per 100 million VMT					
Target:					
<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
N/A	N/A	N/A	0.55	0.53	0.53
Actual:					
0.59	0.63(r)	0.63(r)	N/A		

Percentage of front seat occupants using safety belts.					
Target:					
<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
80	85	86	75	78	79
Actual:					
67	71	73	75		

(r) Revised; N/A Not available.

Management Challenge – Motor Vehicle Safety (IG/GAO)

The IG and GAO have stated that despite efforts of Federal, State, and local governments, safety belt use rates have risen slower than needed to strongly impact overall highway fatality rates. NHTSA has made progress in implementing the requirements of the TREAD Act, and follow through is needed to ensure the usefulness of NHTSA's information system which tracks vehicle

defects and identifies situations requiring safety interventions.

NHTSA Actions: Strategies to increase safety belt use and reduce alcohol-related fatalities are discussed above. NHTSA will ensure that the appropriate actions are completed in FY 2003 in furtherance of TREAD Act requirements and will ensure the quality and utility of the defect data system.

Management Challenge – Managing Commercial Vehicle Safety, and Managing Commercial Vehicle Safety After Opening U.S. Borders (IG/GAO)

The IG and GAO have identified improved motor carrier safety, especially at the U.S.-Mexico border, as major challenges. As traffic materializes, FMCSA will need to assess the adequacy of its inspection resources, including those beyond the Border States. In FY 2004, FMCSA will continue to address these challenges by:

Large Truck Safety-

- ? completing and issuing its strategic workforce plan;
- ? maintaining a strong Federal enforcement presence and ensuring compliance reviews are conducted on high-risk carriers;
- ? issuing high-priority rulemakings for hours-of-service regulations, a Unified Motor Carrier Registration System, and an Intermodal Container Chassis safety rating methodology;
- ? extending Motor Carrier Safety Assistance Program (MCSAP) incentive grants to states for improvements in safety data reporting and systems;
- ? developing, evaluating, and deploying advanced safety technologies;
- ? extending deployment of PRISM and CVISN to additional States;
- ? continuing operational tests of advanced commercial vehicle safety technologies;
- ? jointly with NHTSA completing the investigation of crashes involving large trucks in the Large Truck Crash Causation Study (LTCCS); and
- ? jointly with NHTSA completing the pilot test and implementing a commercial motor vehicle

crash data collection system (CVARS) with the States.

Border safety-

- ? extending agency safety compliance and enforcement operations to include New Entrants and new Mexican carriers operating in the United States;
- ? maintaining staff, facilities, data systems, and equipment for border safety enforcement operations;

Management Challenge – Commercial Driver Licensing (CDL) Program Management (IG)

The IG identified improved oversight and reducing fraud in the CDL program as a major challenge.

In FY 2004, FMCSA will continue to address this challenge by reviewing state CDL programs and providing grants to fund CDL improvement efforts.

AVIATION SAFETY: Commercial aviation is a very safe form of transportation. But aviation accidents can have catastrophic consequences, with large loss of life. The public demands a high standard of safety and expects continued improvement. General Aviation (GA) is also an important element of the U.S. transportation system and the U.S. economy; however, the majority of aviation fatalities have occurred in this segment of aviation. Since 1988, there has been a gradual trend downward in the number of general aviation accidents, but progress has not been steady. DOT is working with the GA community to achieve further improvements in safety.

Performance Goal:

By 2007, reduce the commercial aviation fatal accident rate per 100,000 departures by 80 percent, from a three-year average baseline (1994 through 1996 - 0.051 fatal accidents per 100,000 departures).

Reduce general aviation fatal accidents.

Performance measures:

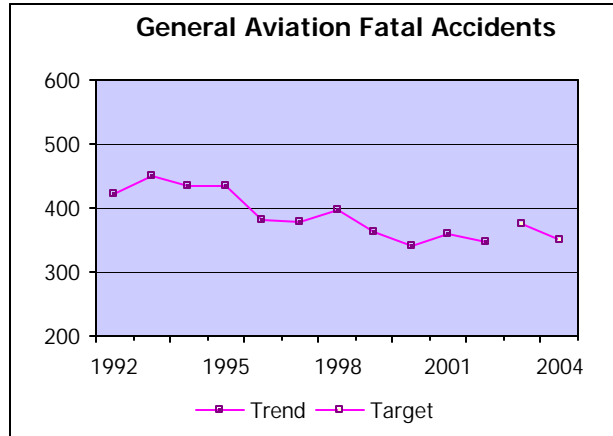
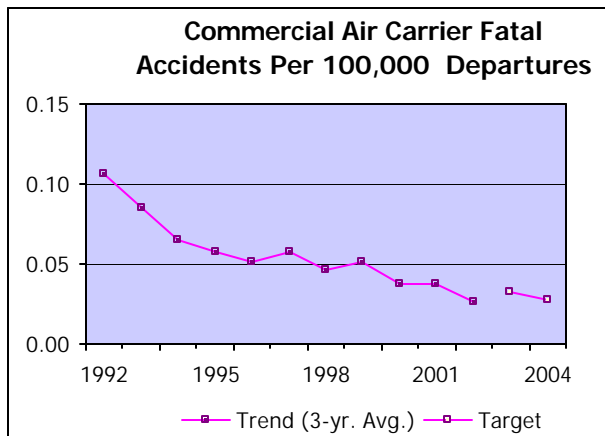
Fatal aviation accidents (U.S. commercial air carriers) per 100,000 departures.

Target:					
1999	2000	2001	2002	2003	2004
.048	.045	.043	.038	.033	.028
Actual [3-year average]:					
.051	.037	.037	.026#		

Number of general aviation fatal accidents.

Target:					
1999	2000	2001	2002	2003	2004
N/A	379	379	379	374	349
Actual:					
364	341	359(r)	346#		

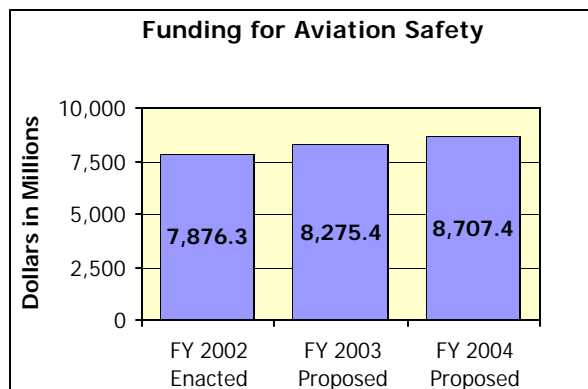
(r) Revised; # Preliminary estimate.



External Factors: As demand for commercial air transport continues to grow back to pre-9/11 levels and beyond, government and industry must continue to meet the new challenges present every day to maintain and improve the current level of safety in this mode of transportation.

General aviation (GA) aircraft range from single-seat home-built aircraft to rotary wing craft, balloons, and extended-range turbojets. Levels of risk are highly variable within this aviation segment, and regulatory oversight varies considerably. Some elements of general aviation operate in hazardous environments, such as agricultural application, external-load operations, fire fighting, and pipeline/power line patrol.

Strategies and Initiatives to Achieve 2004 Targets: DOT resources attributable to this performance goal are depicted below:



As part of the FAA's Safer Skies initiative, FAA and the aviation industry formed two joint working groups to focus on commercial aviation and on general aviation. These groups systematically identify the most frequently occurring accident causal factors and develop safety improvements specific to particular factors.

Commercial Aviation

In the post-9/11 world of commercial aviation, the focus has shifted to cabin and cockpit security. This shift, combined with a financial downturn in the aviation industry, slowed progress on the Safer Skies initiative during FY 2002.

The FAA has been working closely with the aviation industry to prevent terrorist takeover of aircraft in flight. These efforts include the hardening of cockpit doors to prevent unauthorized entry during the operation of the aircraft. Another effort increases aircraft structural integrity in an onboard explosion, allowing the plane to land safely, and minimizing loss of life.

FAA, in concert with the commercial aviation industry, will:

- ? continue to identify and implement Safer Skies interventions, monitoring progress in achieving the expected accident reduction goals in the areas of uncontained engine failure, controlled flight into terrain, approach and landing, loss of control, and runway incursion;
- encourage the expansion of voluntary safety programs, such as the Aviation Safety Action Program (employee self-reporting of events involving possible regulatory violations) and the Flight Operational Quality Assurance Program (routine monitoring of digital flight

data), as well as providing safety information from such programs to airlines and the FAA;

- ? deploy the production version of the Internet Airmen Certification and/or Rating Application (IACRA) to provide timely certification service to aviation industry users; and
- ? work on aging aircraft systems, fuel tank safety, and flammability.

FAA will also add 302 additional controller trainees and 20 additional safety staff in FY 2004 (\$14.6 million) to prepare for a wave of controller retirements in the next several years, and to increase safety monitoring.

General Aviation

The primary strategy for improving GA safety under the Safer Skies initiative is a collaborative working relationship between the FAA and the GA community to identify problems and implement solutions. FAA will continue to work with the aviation community and other government agencies to identify causal factors of accidents and intervene accordingly to prevent future accidents. Specifically for controlled flight into terrain (CFIT), FAA will continue improvements in pilot education and awareness by revising practical test standards, knowledge tests, and associated training materials to improve CFIT awareness and avoidance.

Inadequate pilot decision-making regarding weather is a major cause of GA accidents, and over 80% of weather-related accidents are fatal. Intervention strategies for General Aviation regarding weather will focus on:

- ? developing guidance for operators, airmen and inspectors to evaluate the application of advanced weather products for operational use; and
- ? providing better training of pilots to avoid and cope with weather hazards through improved training materials and enhanced continuing education programs to disseminate these materials.

To improve oversight, FAA is developing a System Approach for Safety Oversight (SASO) (\$12 million). This new approach will integrate safety information systems and improve FAA's ability to forecast, identify, and target key safety aspects where surveillance can best address critical GA safety issues.

Ongoing Safety Mission Activities

FAA's regulation and certification program establishes aviation safety standards, monitors safety performance, conducts aviation safety education and research, issues and maintains certificates and licenses, and manages rulemaking.

FAA's aviation medicine research program works to enhance cabin safety factors. It is developing guidelines based on accident research, toxicological findings, and analyses of information from the consolidated aeromedical database to help prevent aircraft accidents, injuries, and death.

FAA's research in safety technology (\$94.7 million) supports the regulatory program, which sets safety standards for aircraft design, operation, and maintenance. Areas studied include fire-resistant materials for cabin interiors, fire detection equipment, inspection and maintenance of aging aircraft, human factors contributing to unsafe flight deck and maintenance practices, and prevention of engine failure.

Accident Precursors

Operational Errors - A fundamental aviation safety principle is separation – the need to maintain a safe distance from aircraft, terrain, obstructions, and certain airspace not designated for routine air travel. Air traffic controllers employ rules and procedures that define separation standards for a variety of environments in which aircraft operate. When controllers fail to apply or follow the rules and procedures that define separation standards, an operational error occurs.

One of the major approaches to reducing operational errors is to provide a common understanding of procedures and policies among controllers and users. Training for controllers is central to this approach and will continue to be the focus of FAA's safety strategies in this area. Training will be enhanced by aggressive identification of operational error causal factors. Technological improvements such as deployment of modern displays, new decision support tools, and improved communication systems will support better determination of aircraft location and reduce miscommunication between pilots and controllers. FAA will:

- ? use the User Request Evaluation Tool (URET), to provide controllers with advance notification of potential conflicts to preclude operational errors;
- ? reduce repeat incidents by individuals through skill enhancement and remedial training. This will be accomplished by better identification of causal factors and refresher training on procedures for avoiding common types of operational errors;
- ? emphasize position relief briefings between air traffic controllers to facilitate a more effective transfer of position responsibility and reduce operational errors occurring during the first minutes following the relief;
 - continue the operational focus initiative to eliminate distractions not associated with or conducive to the control room environment and keep the focus on the operation through effective sector/position management;
- ? reduce repeat incidents by air traffic controllers through meaningful individual skill enhancement/remedial training. This will be accomplished by better identification of causal factors and refresher training on procedures for avoiding common types of operational errors; and
- ? continue to identify and correct controller performance deficiencies prior to an operational error or deviation and resolve performance deficiencies through corrective training.

Runway Incursions - A runway incursion is any event that causes a collision hazard or results in a loss of separation with an aircraft taking off, landing, or intending to land at an airport. FAA will continue to implement the *National Blueprint for Runway Safety*, containing a multi-pronged effort of outreach, training for pilots and controllers, improved runway signage and markings standards, and technology (\$119.8 million) for better situational awareness of ground movements. FAA will continue key runway safety initiatives already underway:

- ? emphasizing situational awareness in air traffic controller on-the-job training and pilot and vehicle operator training courses;
- ? continuing the Runway Incursion Technical Evaluation Teams, which comprehensively

assess all potential safety-enhancing technologies and products;

- ? expanding data link usage for communications between air traffic controllers and pilots;
- ? studying whether to require pilots to receive specific clearances for crossing any runway, and whether, absent affirmative clearance, pilots must hold short of the runway;
- ? encouraging airports' use of Airport Improvement Program funds for installing and maintaining security fencing, signs, markings, and lighting at all airports, and promoting use of perimeter roads; and
- ? identifying underlying causes of human error, and developing standard human factors investigation and analysis methods for all aviation incidents and accidents, including runway incursions.

In addition, the FAA will:

- ? include a regional and local focus in the Runway Safety Action Team process, increase the number of airport visits, and obtain "best practices" from each line of business; and
- ? conduct additional regional workshops designed to raise awareness and report on progress and conduct a national Human Factors Workshop on Runway Safety to share lessons learned and recommend more ways to reduce runway incursions.

Other Federal Programs with Common Outcomes: Building upon the Memorandum of Understanding between the FAA and NASA, in FY 2000 the agencies finalized and began implementing the FAA/NASA Integrated Research Plan. The purpose of this plan is to effectively leverage FAA and NASA safety research and development resources to achieve a common goal of an 80 percent fatal aviation accident reduction.

FAA supplementary performance measures:

Number of highest severity (category A and B) operational errors.						
Target:						
1999	2000	2001	2002	2003	2004	
N/A	N/A	N/A	568	642	629	
Actual:						
570	610	674	617#			

Number of highest risk runway incursions.

Target:						
1999	2000	2001	2002	2003	2004	
N/A	N/A	N/A	53	44	40	
Actual:						
69	67	53	37			

Note on data: FY 2002 operational error reduction performance target reflects the former measure of the number of operational errors where at least 80 percent of required aircraft separation was not maintained. # The FY 2002 actual number of operational errors is 617 and this will be shown in DOT's next performance and accountability report.

Management Challenge – Commercial and General Aviation Safety (Operational Errors and Runway Safety) (IG/GAO)

The IG and GAO have stated that the FAA must take steps to reverse the trend in known safety risks, strengthen oversight and rulemakings, and manage the aviation safety and air traffic control workforce strategically over the long term. The IG observed that during the last 14 months, FAA has made further progress in reducing the risk of aviation accidents due to operational errors and runway incursions. Operational errors (incidents that could result in collisions in the air) and runway incursions (incidents that could result in collisions on the ground) decreased by 11 percent and 17 percent, respectively, over FY 2001 levels. While reduced air traffic operations contributed to a reduction of these incidents, FAA initiatives to reduce operational errors and runway incursions at specific facilities were also contributing factors.

Notwithstanding these improvements, operational errors and runway incursions remain as top management challenges because (1) at least three serious operational errors and one serious runway incursion occurs, on average, every 10 days (in which collisions were barely averted); and (2) FAA now projects that air traffic, measured in terms of operations, will return to its pre-9/11 growth pattern between 2005 and 2007. FAA needs to continue initiatives to further reduce the risk of aviation accidents.

The FAA will determine the feasibility of expanding Air Transportation Oversight System (ATOS) beyond currently covered large air carriers to smaller commercial air carriers and complete

system safety and risk analysis training for all ATOS-assigned field inspectors. The FAA will continue implementation of the Continuing Analysis and Surveillance System (CASS) improvements to address deficiencies in aircraft maintenance programs at some major air carriers through development and publication of advisory circular guidance to clarify 14 CFR §121.373, CASS Requirements, and to deliver updated FAA policy and procedures and training courses to the inspection workforce.

As discussed above, FAA continues to address accident precursors, such as runway incursions and operational errors in its comprehensive aviation safety program.

RAIL SAFETY: The amount of rail traffic handled by our Nation's railroads has increased over 55 percent since the rail industry was deregulated in 1980. Economic projections indicate that this growth will continue for the foreseeable future. With this increase in rail traffic, DOT seeks to lower the risk of rail-related accidents, leading to fewer fatalities and injuries.

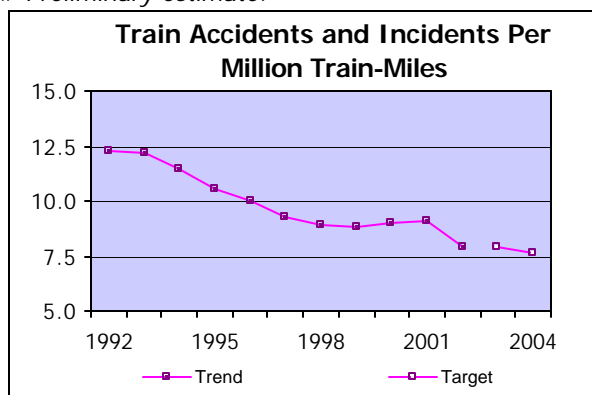
Performance Goal:

By 2006, reduce rail accidents and incidents per million train miles by 20 percent from the 1999-2002 average (8.74 accidents and incidents per million train-miles).

Performance measure:

Train accidents and highway-rail incidents per million train-miles.					
Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	N/A	7.90	7.62
Actual:					
8.78	8.97	9.12	7.93#		

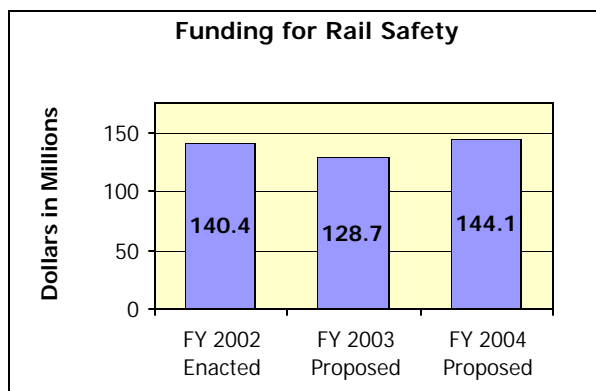
Preliminary estimate.



External Factors: Railroad train-miles have grown continuously each year since 1991, until 2001, when there was a 2 percent decrease from the previous year.

Strategies and Initiatives to Achieve 2004 Target:

DOT resources attributable to this performance goal are depicted below:



FRA regulates rail and highway grade crossing safety to reduce crash risks between trains and road traffic. FRA analyzes accidents, conducts research, and inspects maintenance procedures and safety management programs to improve rail safety.

In 2004, FRA will:

- ? increase safety staffing (25 new positions) to support DOT's rail safety initiatives;
- ? purchase a new self-propelled track geometry vehicle, similar to the T-2000 vehicle, that will allow FRA to inspect 30,000 additional track miles each year (\$4.5 million);
- ? continue installing and operating the National Differential Global Positioning System (NDGPS), which began in FY 1998 (\$6.8 million);
- ? continue safety-related Research and Development projects, including projects in Rolling Stock and Components, Track and Train Interaction, Track and Structures, and Railroad System Issues (\$12.6 million); and
- ? fund other current safety program efficiency increases.

FRA supplementary performance measure:

Rail-related fatalities per million train-miles.					
Target:					
1999	2000	2001	2002	2003	2004
1.57	1.30	1.23	1.20	1.15	1.14
Actual:					
1.31	1.30	1.36(r)	1.40		

Train accidents per million train-miles.					
Target:					
1999	2000	2001	2002	2003	2004
3.44	3.44	3.35	4.00	4.00	3.99
Actual:					
3.89	4.13	4.22(r)	3.56		

Grade crossing accidents divided by the product of million train-miles and trillion vehicle-miles traveled.

Target:					
1999	2000	2001	2002	2003	2004
2.19	1.57	1.39	1.39	1.30	1.29
Actual:					
1.83	1.76(r)	1.64(r)	1.54		

(r) Revised; # Preliminary estimate.

Other Federal Programs with Common Outcomes: FRA along with the NTSB investigates railroad accidents and devise and implement improved standards and practices for safe rail operations and maintenance.

TRANSIT SAFETY: Public transit provides a flexible alternative to automobile and highway travel, offering a higher degree of safety as well. Public expectations for safety are much higher for transit than they are for highway travel.

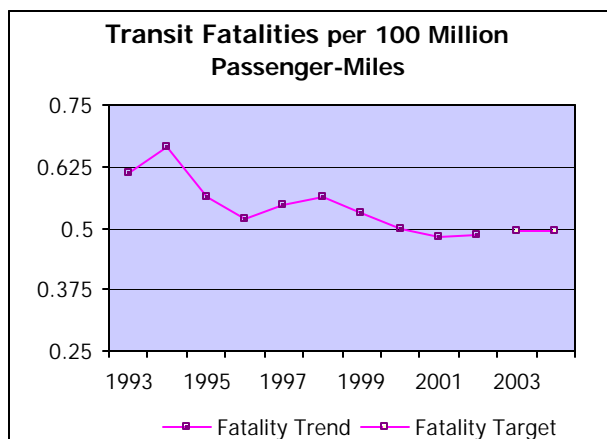
Performance Goal:

Reduce the rate of transit fatalities.

Performance measures:

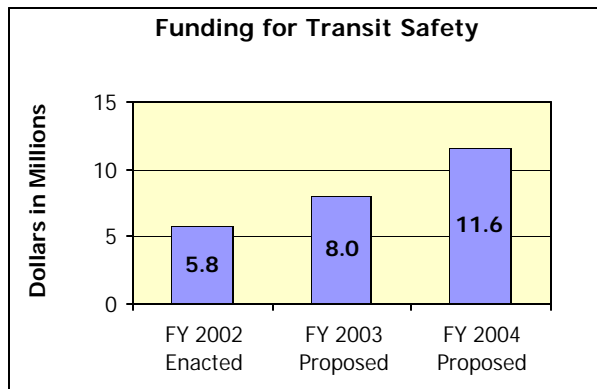
Transit fatalities per 100 million passenger-miles traveled.					
Target:					
1999	2000	2001	2002	2003	2004
.507	.502	.497	.492	.492	.492
Actual:					
.530	.499(r)	.480(r)	.487#		

(r) Revised; # Preliminary estimate.



External Factors: As the population grows, public transit use will increase commensurately.

Strategies and Initiatives to Achieve 2004 Targets: DOT resources attributable to this performance goal are depicted below:



Through Formula Grants, Capital Investment Grants, and the Job Access and Reverse Commute Program, FTA invests in public transit infrastructure. Part of that investment improves transit safety by replacing older bus and rail systems with newer, safer ones and by improving track and transit facility condition. For new projects, safety is a design consideration from the beginning. FTA planning and research funds assist States, local transit authorities, and the transit industry by providing safety technical assistance, improving compliance with the Americans with Disabilities Act's safety requirements, and by improving technology and training programs. FTA also oversees State commuter rail safety programs and alcohol and drug testing programs, and collects data on safety and security standards and accident causal factors for use by FTA, States, and local transit agencies.

In FY 2004, FTA will provide \$5.4 million in Transit Planning and Research funds to continue improving transit fatality and injury rates by:

- ? safety training for transit professionals in over 200 offerings of 28 courses on topics such as system safety, accident prevention, emergency management, industrial safety, alternative fuels safety, bus operator safety, and fatigue awareness;
- ? collecting, analyzing and disseminating transit safety, security, and drug and alcohol test result data in the Transit Safety Clearinghouse website, which can be accessed and used by transit decision makers in improving transit system safety and security;
- ? evaluating the impact of new vehicle and infrastructure technologies on transit safety, especially for bus safety; and
- ? conducting safety awareness outreach.

FTA supplementary performance measure

Transit injuries per 100 million passenger-miles traveled.

Target:					
<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
123.2	121.9	120.7	109.4	108.3	107.2
Actual:					
114.9	111.7	102.1(r)	N/A*		

(r) Revised; N/A Not available; * no data to comparable 2001 due to revised definition of "transit injuries".

Note on data: For 2002 and following, the definition of what constitutes a reportable transit "injury," was changed in the new National Transit Database (the source of the transit injuries data). Only incidents involving immediate medical treatment away from the scene now qualify as a reportable transit injury. FTA made this change in consultation with the transit industry.

Other Federal Programs with Common Outcomes: FTA collaborates with NTSB to resolve National Transit Safety Board (NTSB) findings and recommendations related to public transportation safety.

PIPELINE SAFETY: The United States is dependent on natural gas and petroleum liquids transported through pipelines, and Americans expect reliable delivery of products that fuel our vibrant economy, enable their mobility and enhance their quality of life. They expect that the pipelines that deliver these products, pipelines that move through their communities as well as nearby sensitive environments, will pose no danger to life, property or the environment. While pipelines are among the safest modes for transporting liquids and gases, the nature of their cargo is inherently dangerous, and pipeline failures can pose an immediate threat to people and communities. The recently enacted Pipeline Safety Act of 2002 will reinforce and strengthen initiatives and programs that RSPA already has in place to assure the long-term integrity and security of existing pipelines.

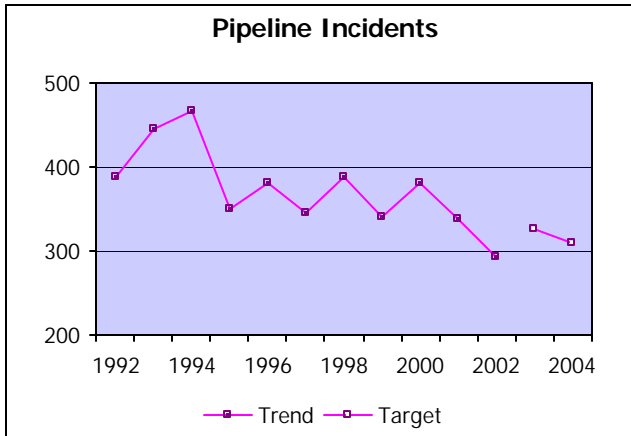
Performance Goal:

Reduce all pipeline incidents by 5% per year, from 381 in 2000 to 295 in 2005.

Performance measure:

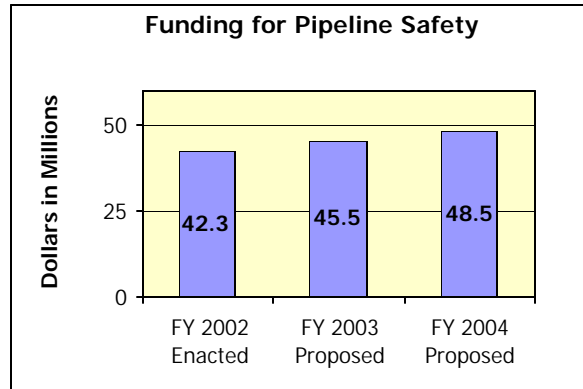
Number of incidents for natural gas and hazardous liquid pipelines.					
Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	N/A	327	310
Actual:					
341	381	337*	293#		

* The FY 2002 actual number of pipeline incidents is 337 and this will be shown in DOT's next performance and accountability report;
Preliminary estimate based on partial year data.



External Factors: An expanding economy brings an increase in new housing starts. The related construction activity adds more risk of distribution pipeline excavation damage.

Strategies and Initiatives to Achieve 2004 Targets: DOT resources attributable to this performance goal are depicted below:



Excavation damage causes 31% of pipeline failures for all types of pipelines, corrosion causes another 20% of failures, and natural forces such as earthquakes cause 8% of failures. Incorrect operation, construction/material defects, equipment malfunction, failed pipe, and other miscellaneous causes account for the remaining 41% of pipeline failures. In the past 10 years, there have been 24 fatalities annually that are related to natural gas or hazardous liquid pipeline failures. DOT works to reduce the risk of pipeline failures by establishing safety regulations and assuring compliance.

RSPA's Pipeline Safety program impacts both Safety and the Environment. Safety programs based only on regulatory compliance can result in a piecemeal approach to identifying and controlling risks, sometimes overlooking the subtle relationships among failure causes, and the benefits of coordinated risk control activities. Having operators implement systematic and integrated approaches to assure pipeline integrity and address the most important risks offers the greatest opportunity to improve safety performance. For this reason, RSPA has published integrity management requirements for pipelines in high consequence areas that include populated areas, commercially navigable waterways, and

locations unusually sensitive to environmental damage and that might be impacted by a pipeline failure.

Because natural gas and hazardous liquids have different physical properties and pose different risks, RSPA will implement integrity management requirements for gas and liquid operators in stages, with separate requirements for hazardous liquid operators and natural gas operators. RSPA has promulgated these pipeline integrity management-related rulemakings to improve system integrity assessments:

Final Rules:

- ? Controlling Corrosion on Hazardous Liquid Pipelines;
- ? Hazardous Liquid Pipeline Accident Reporting Revisions;
- ? Pipeline Integrity Management in High Consequence Areas (Repair Criteria);
- ? Pipeline Integrity Management in High Consequence Areas (Hazardous Liquid Operators with less than 500 Miles of Pipe); and
- ? High Consequence Areas for Gas Transmission Pipelines.

Notice of Proposed Rulemakings:

- ? Natural Gas Transmission Pipeline Integrity Management; and
- ? Producer-Operated OCS Pipelines that Cross Directly into State Waters.

Additionally, RSPA uses new evaluation standards for assessing adequacy of operator qualification programs that limit human error, and for assessing pipeline operator's security preparedness.

RSPA will make educational materials available to pipeline operators, one-call centers and other interested groups, support efforts of the Common Ground Alliance to offer "Dig Safely" training sessions around the country for groups interested in implementing the program, encourage participating operators to improve accuracy in locating and marking facilities, and continue evaluation of one-call system education best practices.

RSPA will also work to improve models for corrosion assessment and remaining pipe strength

that will allow operators to better identify pipeline segments at higher risk of failure and take appropriate corrective action.

RSPA will enhance States' abilities for oversight on outside force damage, as well as for other issues of local concern, such as accident investigation and new construction, for interstate pipelines within their borders. RSPA will offer a 50% grant match to cover costs of that State oversight.

Pipeline safety R&D will focus on improved operations, control, and monitoring technologies for better corrosion and leak detection; direct assessment techniques for unpiggable pipelines; improved pipeline coating technology; and mapping and information integration.

Other Federal Programs with Common Outcomes:

RSPA continues to develop the National Pipeline Mapping System with the Federal Energy Regulatory Commission, the National Oceanic and Atmospheric Administration (NOAA), the Department of Energy, the U.S. Geological Survey, and others. The system will help analyze risks to environmentally sensitive and populated areas. RSPA participates jointly with the Environmental Protection Agency (EPA), the Department of Agriculture, the Department of the Interior and NOAA to collect data on the location of environmentally sensitive areas and is co-funding efforts with EPA at the national and State levels to populate digital data banks.

HAZARDOUS MATERIALS SAFETY: Many of the materials used in manufacturing and many of the retail products people buy include hazardous materials. There are over 800,000 shipments of hazardous materials (hazmat) each day in the United States. These range from flammable materials and explosives to poisons and corrosives. Release of these materials during transportation could result in serious injury or death, or harm to the environment.

Performance Goal:

By 2005, reduce hazardous material transportation incidents by 10 percent from the level of such incidents in 2000.

Performance measure:

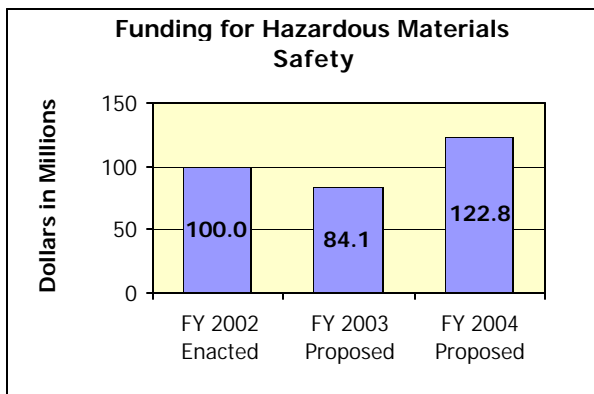
Number of serious hazardous materials incidents in transportation.					
Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	523	515	509
Actual:					
540(r)	565(r)	515(r)	189#		

(r) Revised; # Preliminary estimate based on partial year data.



Strategies and Initiatives to Achieve 2004 Target:

DOT resources attributable to this performance goal are depicted below:



DOT develops regulations and standards for hazmat packaging and shipping, and five Operating Administrations (FAA, FRA, RSPA, and FMCSA) enforce those standards for every mode of transportation.

- ? DOT will continue to emphasize human factors involved in hazmat spills. RSPA will continue to work with the industry and State and local partners to prioritize risk factors, permitting better focus of resources on highest risk areas.
- ? RSPA will continue its inspections of shippers, packaging manufacturers and cylinder retesters, measuring success of these efforts by non-compliance rates after facilities are reinspected. RSPA's post-reinspection non-compliance rate target is 15% or less.
- ? RSPA will address human errors by continuing its intensive effort to reach the hazmat community through training, technical assistance and customer service to ensure it understands how to comply with Federal safety requirements. RSPA will prioritize compliance initiatives on a risk and human factors basis, based in part on shippers' incident histories. RSPA will work with international organizations to promote consistency between national and international hazardous materials requirements to improve the safe and efficient transportation of hazardous materials (total of \$52 million).
- ? FAA will continue its focus on improving compliance among manufacturers, distributors, retailers and reshippers before their cargo reaches airports (\$18.3 million).
- ? FMCSA will continue its hazmat Compliance Reviews and, when necessary, take enforcement action against motor carriers that pose a greater hazardous materials risk, focusing on incidents/crashes, vehicle and

driver violation occurrences, and company safety management breakdowns. In addition, FMCSA will conduct security sensitivity visits, and HAZMAT package and vehicle inspections (\$18.3 million).

- ? About 80% of rail serious hazmat incidents are due to derailments, and FRA's integrated rail safety program aims at reducing both train accidents and hazmat releases -- to the extent that train accidents are prevented, hazmat releases are also prevented (\$33.8 million).

Other Federal Programs with Common

Outcomes: In developing regulations for the transportation of hazardous materials, DOT works with the Department of Homeland Security, Environmental Protection Agency (EPA); Department of Labor's Occupational Safety and Health Administration; Department of Health and Human Services (HHS); the Treasury Department's Customs Service and Bureau of Alcohol, Tobacco and Firearms; Nuclear Regulatory Commission (NRC); and the Consumer Product Safety Commission.

DOT is also a member of the National Response Team (NRT). The NRT is responsible for coordinating Federal planning, preparedness, and response actions related to oil discharges and hazardous substance releases.

In coordination with the Federal Emergency Management Agency (FEMA), the NRC, the EPA, the Departments of Labor, Energy, and HHS, and the National Institute of Environmental Health Sciences, DOT periodically develops and updates a curriculum consisting of a list of courses necessary to train public sector emergency response and preparedness teams in dealing with hazardous materials incidents.

Performance Goals – Mobility and Economic Growth

<u>Performance Goal</u>	<u>Page</u>	<u>Data Details</u>
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STRATEGIC OBJECTIVES: MOBILITY and ECONOMIC GROWTH

Shape an accessible, affordable, reliable transportation system for all people, goods, and regions.

Support a transportation system that sustains America's economic growth.

We Aim To Achieve These Strategic Outcomes:

- ? Improve the physical condition of the transportation system.
- ? Reduce transportation time from origin to destination for the individual transportation user.
- ? Increase the reliability of trip times for the individual transportation user.
- ? Increase access to transportation systems for the individual user.
- ? Reduce the cost of transportation for the individual user.
- ? Reduce barriers to trade that are related to transportation.
- ? Improve the U.S. international competitive position in transportation goods and services.
- ? Improve the capacity of the transportation workforce.
- ? Expand opportunities for all businesses, especially small, women-owned, and disadvantaged businesses (discussed in the Organizational Excellence chapter).

Mobility as much as any other factor defines us as a Nation, and is intertwined with the Nation's economic growth. It connects people with work, school, community services, markets, and other people. The U.S. transportation system carries over 4.6 trillion passenger-miles of travel and 3.9 trillion ton-miles of freight every year – generated by more than 276 million people and 6 million businesses.

DOT's aim is an affordable, reliable and accessible transportation system. To achieve reliability and accessibility, our transportation system frequently relies on common public infrastructure that is maintained on limited national resources – our land, waterways, and airspace. DOT's objective is to optimize capital investment in these public systems and manage them to maximize the benefit to all Americans. The FY 2004 budget proposes \$35.7 billion in mobility funding to meet this challenge.

A detailed analysis of 2004 strategies follows.

Performance Goals

Improve Physical Condition

Highway Infrastructure Condition

Reduce Transportation Time and Improve Service

Highway Congestion

Transit Ridership

Increase Trip Time Reliability

Aviation Delay

Maritime Navigation

Increase Access to Transportation

Transportation Accessibility

Reduce Trade Barriers and Improve International

Competitiveness

International Air Service

HIGHWAY INFRASTRUCTURE CONDITION: Improving the condition of pavement and bridges is critical to the structural integrity and cost effectiveness of the transportation system. The condition of the national highway system (NHS) also affects congestion, the wear-and-tear on vehicles, the comfort of travelers, and fuel consumption. Steady progress has been made over the past decade to improve pavement condition. Of the approximately 590,000 bridges in the National Bridge Inventory (NBI), some 115,000 are on the NHS, which serves the major population centers in the U.S., international border crossings, intermodal transportation facilities, and major travel destinations. Because of the Department's focus on maintaining and improving the NHS, this subset of bridges is in better condition than the total bridge inventory. However, approximately 36,000 of these bridges were still rated either structurally deficient or functionally obsolete, in terms of dimensions, load or other characteristics in 2000.

Performance Goal:

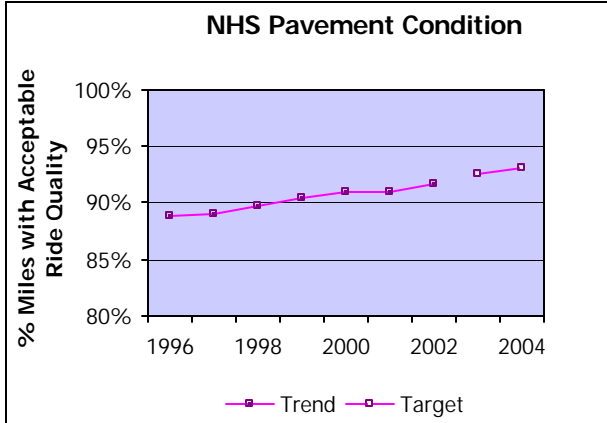
Improve and expand the NHS to increase system efficiency and improve safety.

Performance measure:

Percentage of travel on the NHS meeting pavement performance standards for acceptable ride.

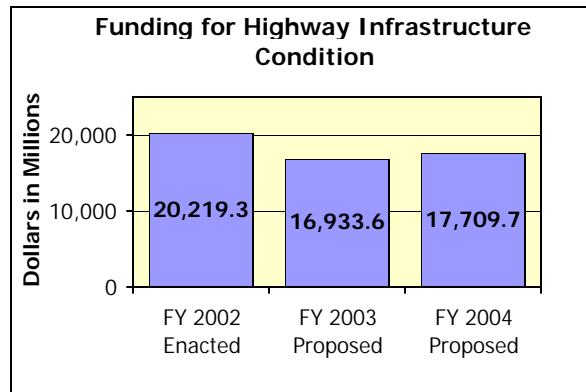
Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	92.0	92.5	93.1
Actual:					
90.5	90.9	90.9(r)	91.6#		

Projection from trends.



External Factors: Vehicle-miles traveled (VMT) grew by over 2% annually during the past decade, in consonance with the U.S. economy's growth. Growth in freight volume resulting in increased loads on pavement has increased pavement and bridge deterioration.

Strategies and Initiatives to Achieve 2004 Target: DOT resources attributable to this performance goal are depicted below:



FHWA provides technical assistance and training to State officials and other partners in order to encourage the deployment of technologies, including innovative construction techniques and pavement preservation practices, that improve pavement condition as measured by ride quality. FHWA encourages use of bridge materials that are more durable and resistant to traffic loads and corrosive attack, resulting in less maintenance and fewer traffic restrictions. These technologies improve bridge condition, as measured by the percent of deck area on bridges rated either structurally deficient or obsolete.

Given past and future investments, NHS physical condition and ride quality performance will continue to improve. FHWA will continue progress on a number of key pavement and bridge condition initiatives:

- ? more use of innovative pavement technologies through FHWA technical assistance, best practice workshops, and training to State DOTs; equipment upgrades and adoption of recommended specifications and protocols; and improved pavement smoothness measuring equipment;

- ? more use of high performance bridge materials through FHWA technical assistance and training in high performance materials, new design techniques, and cost effective details for bridges; and use of innovative materials that are more durable and resistant to traffic loads and corrosive attack, resulting in less maintenance and traffic restriction; and
- ? increased use of Transportation Asset Management concepts and practices, engineering economic analysis tools and data management systems to optimize State road and bridge resource allocation.

While bridges on national park roads remain in high quality condition, maintenance backlogs have led to deteriorated pavement on key routes. In 2001, only about 35% of the pavement on national park roads was in good condition. In support of the President's National Parks Legacy Project, FHWA will fund more maintenance on national park roads. FHWA and its partners' long-term goal is to increase the portion of the pavement on park roads that is rated good to 85% by 2009.

FHWA supplementary performance measures:

Percentage of deck area on deficient NHS bridges.					
Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	28.6	27.5	26.4
Actual:					
31.9	30.8	30.6	29.9		

Miles of the Appalachian Development Highway System (ADHS) completed.					
Target:					
1999	2000	2001	2002	2003	2004
2,327	2,373	2,520	2,557	2,594	2,631
Actual:					
2,456	2,483	2,526	2,571		

Other Federal Programs with Common Outcomes: FHWA works closely with Department of the Interior, Department of Agriculture, and Department of Defense agencies, including the Forest Service, Bureau of Reclamation, Bureau of Land Management, the Army Corps of Engineers, and the Military Traffic

Management Command, to improve mobility on Federally owned lands.

Management Challenge - Intermodal Approach to Transportation Planning and Investment (GAO)

The GAO has stated that enhancing intermodal transportation planning and investment decisions resulting from that planning presents a major challenge to DOT.

DOT agrees that challenges in future transportation planning and investments will certainly need to be considered in a more holistic fashion. Surface and aviation transportation program reauthorization actions affecting FY 2004 will certainly need to consider this point, and as DOT updates strategic planning documents, this will be a primary consideration for intergovernmental planning.

HIGHWAY CONGESTION: Delay on the Nation's highway systems is a major cost to motorists - amounting to \$72 billion in 1997 in lost wages and wasted fuel. Congestion has steadily worsened over the past few years because the population of drivers, number of vehicles, and travel volume continues to increase at a faster rate than system capacity. Congestion varies significantly day to day because demand and capacity are constantly changing at any given location, and its importance depends to a large degree on what users expect in terms of speed, travel time, and delay, when these conditions exist. Slowing the growth of congestion and delay aids urban travelers' mobility and productivity and curbs economic inefficiencies induced by congestion. Highly integrated Intelligent Transportation Systems (ITS) use electronic information and communications technology to extend the capacity of our existing infrastructure system, improving traffic flow and reducing bottlenecks.

Performance Goals:

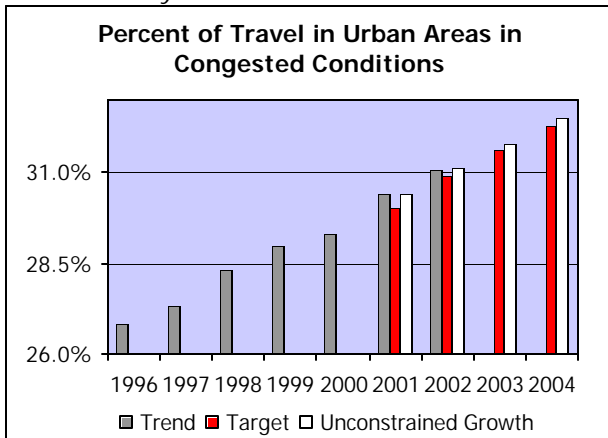
Limit annual growth of urban area travel time under congested conditions to 0.2% below the otherwise expected increases in congestion.

Performance measure:

Percentage of total annual urban-area travel time that occurs in congested conditions.

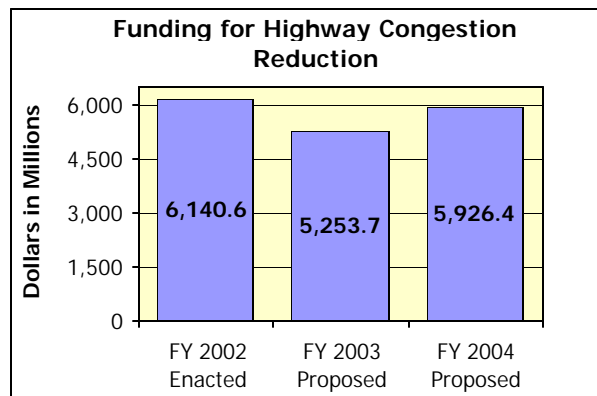
Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	30.9	31.6	32.3
Actual:					
29.0	29.3	30.4	31.1#		

Preliminary estimate.



External Factors: States and local governments conduct land use planning, and the job creation that comes with economic growth occurs unevenly across the Nation. When job creation happens faster than local transportation planners can adjust local transportation systems, increased congestion is the result.

Strategies and Initiatives to Achieve 2004 Target: DOT resources attributable to this performance goal are depicted below:



Traffic congestion is expected to continue to slowly increase nationwide. Congestion growth will be reduced more sharply in States, regions, and local metropolitan areas with highly integrated Intelligent Transportation Systems.

FHWA will place a high priority on collaborative partnerships to mitigate congestion impacts. This approach will build upon existing efforts, such as current partnerships to expand existing congestion management systems and develop regional ITS architectures. FHWA will also work with new partners at the local, regional and State levels.

For better traffic management, FHWA will emphasize:

- ? more traffic analysis and modeling;
- ? providing better traveler information through dynamic message signs and the 511 telephone number; and
- ? implementing smart work zone technologies such as traffic monitoring.

In FY 2004, FHWA will focus on travel time delay caused by work zones and transportation

incidents. For work zone management, FHWA will promote “get-in, get-out, stay-out” techniques, such as the use of total road closures, night-only work, and innovative construction materials.

To encourage better traffic management for incident-caused delays, FHWA will encourage more State and metropolitan area use of aggressive incident management practices. States and cities can establish regional incident management programs, analyze and use incident information, and establish more aggressive accident clearance policies. Based on past studies, incident duration times have been reduced by 40 percent in some metropolitan areas using these approaches.

FHWA will make progress on a number of key traffic congestion-related initiatives:

- ? the budget provides \$1 billion to fund a new highway performance and maintenance initiative, which targets “ready-to-go” highway projects that address traffic bottlenecks and improve infrastructure conditions;
- ? more metropolitan areas will have medium- or high-level ITS deployments (\$9.5 million); 57 areas reached this level by FY 2002. 54 integration projects have been awarded, and 14 service plans have been awarded in metropolitan areas with low levels of deployment;
- ? the 511 Travel Telephone Information Number will be deployed in at least 10 areas by the end of FY 2002 and 35 implementation support grants have been awarded;
- ? systems operations training and technical assistance will be provided to partners, helping them improve regional operations coordination, performance measurement, and work zone management; and
- ? ITS Standards, technologies and tools will be adopted by more than 20,000 partners, improving traffic management and freight transportation.

FHWA supplementary performance measures

Of annual urban-area peak period travel time, additional percentage of travel time attributable to congestion.

Target:					
<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
N/A	N/A	52	53	54	N/T
Actual:					
49	51	53(r)	55#		

For the individual traveler in urban areas, average annual hours of extra travel time due to delays.

Target:					
<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
N/A	N/A	31.7	32.2	N/T	N/T
Actual:					
30.6	31.2	32.0(r)	31.9#		

Number of metropolitan areas where integrated ITS infrastructure is deployed.

Target:					
<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
N/A	51	56	61	64	70
Actual:					
49	52	52	57		

(r) Revised; # Projected from trends; N/T No target.

Other Federal Programs with Common Outcomes: FHWA works closely with Department of the Interior, Department of Agriculture, and Department of Defense agencies, including the Forest Service, Bureau of Reclamation, Bureau of Land Management, the U.S. Army Corps of Engineers, and the Military Traffic Management Command, to improve mobility on Federally owned lands.

TRANSIT RIDERSHIP: Public transit offers many benefits. It is one of the safest ways of traveling, relieves road congestion, and reduces air pollution. To achieve these benefits, transit must be convenient and cost-efficient. The Federal transit investment combined with State and private sector funds enable this means of transportation.

Performance Goal:

Increase transit ridership to improve urban and rural mobility, and reduce traffic congestion by keeping the average yearly increase in ridership at least 2%, averaged across all transit markets, and adjusted for employment levels.

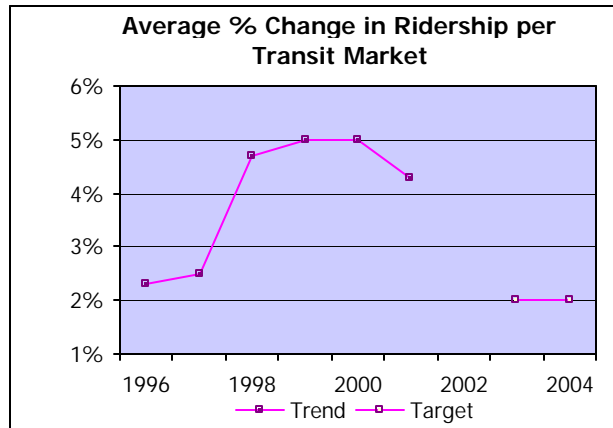
Performance measures:

Average yearly percent change in transit passenger-miles traveled per transit market, adjusted for employment levels.					
Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	3.5	2.0	2.0
Actual:					
5.0	5.0	4.3	N/A		

N/A Not available.

Note on data: In FY 2002, DOT changed the measure of transit ridership from the change in total passenger miles traveled to the average change in passenger miles traveled per market. The previous performance measure placed undue emphasis on increasing ridership in the nation's very largest urban areas. The FY 2002 measure improved this by focusing more attention on increasing transit ridership in every community.

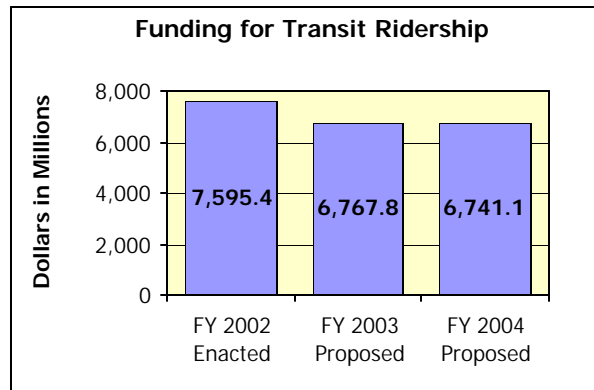
After a year of experience, DOT has concluded that weighting the new measure for employment levels in each transit market allows DOT to better account for the impact of economic conditions on transit use. A recent study by San Jose State University's Mineta Transportation Institute found that change in employment is a key economic factor associated with change in transit ridership. This finding is consistent with the fact that approximately one-half of transit riders are traveling to and from work. Employment levels also reflect the financial capacity of local governments to support transit service levels and keep fares stable. An increase in the average transit ridership per market, adjusted for changes in employment, represents an increase in transit's share of the personal travel market.



External Factors: Communities are spreading farther away from central cities, and jobs are increasingly located in the suburbs. This creates longer commutes and more scattered travel patterns. Rural areas and small communities are shifting from an agricultural to a service and manufacturing economy, creating a demand for public transportation.

Strategies and Initiatives to Achieve 2004 Target:

DOT resources attributable to this performance goal are depicted below:



FTA:

? provides grants to States and localities to develop new transit systems and extend existing systems,

- ? provides transportation planning assistance to ensure that public transit systems are accessible, convenient, and well managed;
- ? funds research and deployment of transit technologies, which increase the reliability of transit, reduce trip time, and improve connectivity between modes; and innovative technologies such as fuel cells, hybrid electric buses, and alternative fuels that are less polluting than diesel fuels;
- ? supports development, deployment and dissemination of information on the bus rapid transit (BRT) technologies, which may reduce travel time and offer low capital cost alternatives to heavy and light rail transit service; and
- ? supports training for transit agency employees responsible for planning, designing, building, operating and maintaining transit systems.

FTA also works to improve the safety of public transit. All of these efforts implemented in various combinations by the State and local transit agencies stimulate urban and inter-urban mobility through increased transit ridership. This has spin-off benefits in reducing congestion and mobile source pollutant emissions.

In 2004, FTA will:

- ? invest in transit infrastructure to create new transit services, make transit available to more people in both urbanized and rural areas, and improve the condition of current transit services;
- ? provide funds to Metropolitan Planning Organizations and State DOTs for planning activities to ensure that new transit services are accessible, convenient, and well managed;
- ? conduct research and demonstrations of technology to improve rail communications systems, innovations in transit operation to improve mobility management and fleet management; and
- ? provide funds to the National Transit Institute to deliver approximately 180 training courses in Safety and Security, Multimodal Transportation Planning, Advanced Technologies, and Management Development.

FTA supplementary performance measures:

Passenger-miles traveled (in billions) by transit.

Target:					
1999	2000	2001	2002	2003	2004
---	40.56	44.8	47.5	48.0	48.8
Actual:					
43.3	45.1	46.3	47.1#		

Average condition of motor bus fleet (on a scale of 1 (poor) to 5 (excellent)).

Target:					
1999	2000	2001	2002	2003	2004
N/A	3.15	3.20	3.25	3.20	3.24
Actual:					
3.13	3.07(r)	3.11(r)	N/A		

Average condition of rail vehicle fleet (on a scale of 1 (poor) to 5 (excellent)).

Target:					
1999	2000	2001	2002	2003	2004
N/A	3.19	3.24	3.29	3.55	3.55
Actual:					
3.14	3.55(r)	3.58(r)	N/A		

(r) Revised; N/A Not available.

Other Federal Programs with Common Outcomes: DOT coordinates transportation, housing, economic development and environmental programs with several other Federal agencies. DOT and the Department of Health and Human Services jointly encourage local Medicare agencies to use regularly scheduled transit service for medical appointments in lieu of more expensive, specialized transportation. DOT and the Environmental Protection Agency jointly promote the Commuter Choice initiative that mitigates congestion and encourages transit use, and implement joint transportation planning and environmental guidance.

AVIATION DELAY: Commercial aviation delays are estimated to cost airlines over \$3 billion per year. Passengers are directly affected by missed flight connections, missed meetings, and loss of personal time. There are approximately 20 congested airports, each averaging over 20,000 hours of flight delay per year. Delays are likely to increase as passenger travel demand continues to recover and rise. One of DOT's challenges is to ensure the optimal levels of safety and security for the national aviation system, while adding the least amount of "friction" which is a cause of delay.

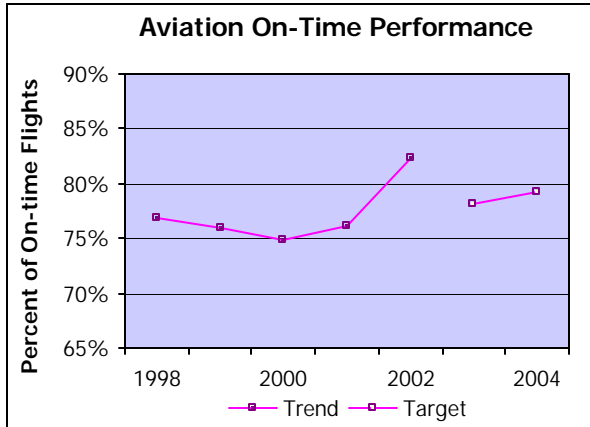
Performance Goal:

DOT seeks to improve on-time arrival performance by one percentage point per year through increases in aviation system capacity via improved technology, collaborative actions, and airport construction.

Performance measure:

Percent of flights arriving on time.					
Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	77.2	78.2	79.2
Actual:					
76.0	74.9	76.2	82.3#		

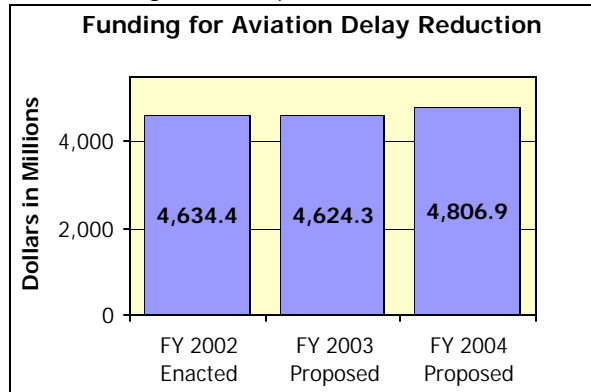
Preliminary estimate



External Factors: Delays throughout the National Airspace System (NAS) are generally the result of air traffic density and adverse weather. As traffic increases throughout the system, delays are likely to increase. Decisions by air carriers to concentrate operations in one or more hub airports or change their business models to more evenly distribute direct flights, changing consumer demand for air travel, rapid population growth in urban centers, physical configurations of airports and terminals, and environmental considerations can either saturate or limit the ability to move aircraft to and from airports, and through congested airspace. Security induced flight delays may prove to be a significant variable.

Strategies and Initiatives to Achieve 2004 Target:

DOT resources attributable to this performance goal are depicted below:



About two-thirds of the FY 2004 funding associated with reducing aviation delays is contained in FAA's Airport Improvement Program appropriation, and the remaining one-third is from FAA's Facilities and Equipment appropriation. FAA's service improvements designed to reduce delays will focus in four inter-related areas:

- ? working with airlines and airports in planning airlines' operations at congested hubs;
- ? airspace system modernization and shortening the time it takes to approve plans and build additional runways;
- ? insertion of specific technologies to improve airspace throughput capacity; and
- ? improved information and decision making processes.

Capacity benchmarks and joint FAA-airline flight decision-making combine to optimize flight scheduling at busiest air hubs

FAA developed capacity benchmarks for 31 of the busiest U.S. airports to provide individual measures of peak capacity. Comparing actual aircraft handled to capacity benchmarks provides

FAA with a measure of their efficiency in handling aircraft and information about how well FAA is preventing delays. Joint FAA-airline decision-making on flight movements allows a cost-effective approach to be taken in coping with weather and other delays. Airlines can provide their preferences for routing and departure order of aircraft, so that the impact of delays can be minimized.

Technology insertion and enhanced information tools

FAA will continue installing air traffic automation enhancements such as the Traffic Management Advisor (TMA) at planned Air Route Traffic Control Centers serving the major hubs. Controllers and air traffic managers use TMA to increase airport arrival efficiency and minimize delays in giving landing clearance.

FAA is installing and improving two major systems to improve weather reporting, processing, and dissemination. The Integrated Terminal Weather System (ITWS) (\$13.2 million) consolidates information from several sources, which will then be provided to airport towers to assist in managing weather delays. The Weather and Radar Processor (WARP) (\$8.5 million) will report weather information and integrate weather radar data provided to the FAA centers for efficient routing of aircraft. FAA is continuing to implement and improve existing weather sensors such as Next Generation Weather Radar (NEXRAD) (\$10.6 million), Terminal Doppler Weather Radar (TDWR) (\$7.2 million), the Low Level Wind Shear Alert System, a wind shear detection channel for the terminal radar (\$3.9 million), and the Automated Surface Observation System (ASOS) (\$11.8 million).

FAA has implemented and is evaluating an experimental demonstration program called Collaborative Convective Forecast Product (CCFP) at the Air Traffic Control System Command Center (ATCSCC). It provides a single forecast of thunderstorm and severe weather phenomenon, so NAS users can coordinate a system-wide approach to severe weather events. The FAA and the NAS operators have agreed to adopt the CCFP as the official forecast tool for planning purposes.

Operational process improvements and airspace redesign

As part of its collaborative efforts to reduce delays, the FAA has created a special data system, Aviation System Performance Metrics (ASPM), to provide metrics comparing actual versus scheduled performance by the phase of a flight. ASPM data contain, among other things, actual and scheduled arrivals and departures by air carriers by airport, and the actual acceptance and departure rates by airport. The acceptance and departure rates reflect the arrivals and departures that can occur, based on standard air traffic management practices. The best employment of available ground resources (e.g., airport runways and taxiways, landing and take-off procedures, and air traffic personnel and equipment) will be the major driver in achieving the highest available airport efficiency rates.

FAA supplementary performance measures:

Airport efficiency rate (percent of actual arrival capacity used) at large hub airports.

Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	95.25	95.49*	95.49*
Actual:					
N/A	94.7	94.9	96.2		

Average daily level of airport arrival capacity (thousands of landings) at large hub airports.

Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	46.6	46.6	49.12*	49.12*
Actual:					
44.7	44.7	46.6	47.0		

* Through 2002, these supplementary measures encompassed 32 large hub airports. From 2003 onward, these measures encompass 35 airports covered by FAA's Operational Evolution Plan.

Management Challenge - Air Traffic Control Modernization and Increasing the Capacity of the National Airspace System (IG/GAO)

The IG and GAO stated that the FAA is facing critical issues involving increasing capacity in the National Airspace System, carrying out cost-effective and timely acquisitions, and improving business operations by controlling costs. The FAA is engaged in a comprehensive program to

modernize the air traffic control system. This includes replacement of the controller workstations and automation software; replacement of radar surveillance systems; modernization of voice communication systems; and the introduction of enhanced automation aids, data link, and improved weather systems. This modernization is necessary to keep pace with improvements in technology and to accommodate air traffic growth. The IG and GAO have noted significant management challenges associated with maintaining schedule and cost discipline, given the complex nature of the equipment and the need for the highest level of reliability.

It is generally accepted that new runways are the most effective way to increase capacity. In the 10 years prior to the FAA's OEP, six new runways had been completed, including runways at Dallas and Phoenix. When the OEP was first published in June 2001, it included provisions to add 15 new runways, but that was before 9/11 and before the effects of the economic slowdown became more pronounced.

The FAA's Operational Evolution Plan (OEP) defines FAA's commitment to implement capacity increasing enhancements within the NAS. Management of these efforts builds upon successful Free Flight program techniques that integrate well-defined operational concepts, early deployment, spiral development, and objective, measurable results. Through the RTCA Advisory Committee, FAA is working to synchronize efforts with industry so that FAA investments yield timely benefits. Responsibility for delivery of each new capability is assigned to a single senior executive who coordinates both acquisition and operational integration. FAA is working to map OEP metrics directly to organizational measures. This linkage ensures that resources are properly aligned with the FAA's commitment to increasing capacity. An acquisition performance measure in the Organizational Excellence chapter further rounds out FAA's actions to ensure its Air Traffic System modernization proceeds as planned.

MARITIME NAVIGATION: More than two billion tons of freight worth \$1 trillion annually moves through U.S. ports and waterways. The St. Lawrence Seaway is the international shipping gateway to the Great Lakes, offering access and competitive costs with other routes and modes to the interior of the country. As trade increases, ensuring unimpeded access to ports for commercial vessels traffic will be increasingly important to the national economy.

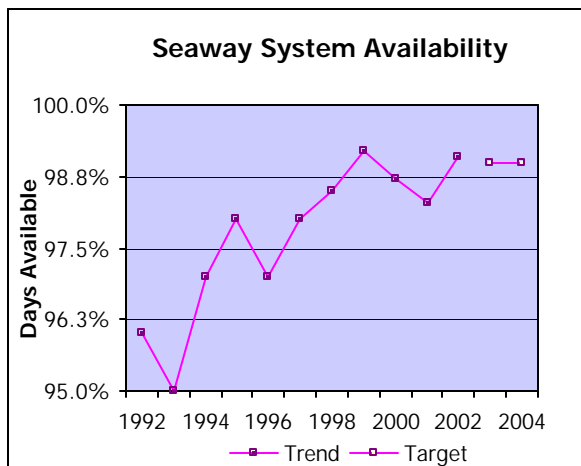
Performance Goal:

Reduce the amount of disruption to maritime commerce caused by impediments to around-the-clock, all weather navigation.

Performance measures:

Percentage of days in the shipping season that the U.S. portion of the St. Lawrence Seaway system is available.

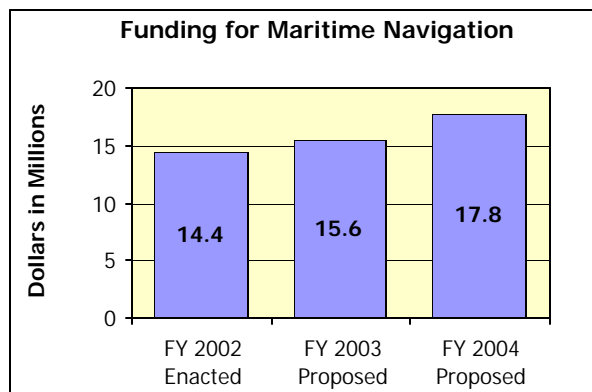
Target:					
1999	2000	2001	2002	2003	2004
99	99	99	99	99	99
99.2	98.7	98.3	99.1		



External Factors: Growth in the containership industry and vessel size is driving many harbor improvement projects in the United States. To handle these ships, ports need to provide channel depths of at least 50 feet, cranes that can fully cover ships' increasing widths, highly efficient terminals, and superior inland connections. These changes increase safety and environmental risks and depend on efficient traffic flow. Similar growth in other commercial traffic (ferry service, cruise ships, oil and chemical tankers), coupled with increased use of waterways for recreation tends to drive waterway congestion up.

Strategies and Initiatives to Achieve 2004 Target:

DOT resources attributable to this performance goal are depicted below:



DOT, through MARAD and SLSDC, seeks to improve maritime navigation by developing congestion relieving commercial practices, and by providing for international navigation to and from Great Lakes ports.

The delivery of nearly all goods is on a *time-definite* basis – product consignees (manufacturers or retail operations) – require that shipments arrive on a certain date and even by a specified time. A modern information system is crucial to understanding the challenges to efficient marine traffic movement. DOT has extensive outreach to private industry, States, port authorities, and shippers at a regional and local level, and will work in partnership to develop tools needed to be successful.

MARAD acts as a catalyst to stimulate cooperative ventures and partnerships among the marine freight industry's public and private sectors to adapt new technologies and intermodal networks. These efforts will increase capacity in container ports to meet expected long-term increases in demand, including introduction of marine-rail intermodal systems with potential to double or triple existing port throughput capacity. Such a

marine-rail interface project will be demonstrated at the Port of Tacoma in FY 2003.

SLSDC will continue to focus on increasing the safety, security, reliability, and efficiency of the U.S. navigation facilities each shipping season, reducing the risk of vessel delays due to lock equipment failure, and improving maintenance and inspection systems. Specifically the SLSDC will:

- ? operate and maintain the locks and related navigation facilities for the U.S. portion of the St. Lawrence Seaway. To maintain reliability, SLSDC will improve lock structures, including recommendations from the U.S. Army Corps of Engineers, during annual winter maintenance;
- ? continue coordination with its Canadian counterpart agency to ensure consistency in the vessel inspection procedures of the two agencies and implement joint projects aimed at improving the safety, security, and efficiency of the waterway and the two Seaway agencies. SLSDC will continue to work with the U.S. Coast Guard in performing security-related risk assessment inspections in Montreal as part of the traditional vessel inspection program, thus reducing transit time delays for users; and
- ? use Automated Information System (AIS)/GPS technologies to more efficiently manage vessel traffic control and vessel transits at the U.S. Seaway locks.

Other Federal Programs with Common Outcomes: The Army Corps of Engineers dredges channels to maintain charted depth and width; and both the Corps and the Department of Commerce (NOAA) provide navigation charts of U.S. ports and waterways. NOAA provides real-time environmental information on weather, tides, and currents to ships maneuvering in the Nation's waterways. The Coast Guard maintains navigation systems and vessel traffic systems to mark safe water and to facilitate safe vessel traffic.

The Canadian St. Lawrence Seaway Management Corporation carries out counterpart programs. The SLSDC exchanges information with the U.S. Army Corps of Engineers, which operates locks on U.S. inland waterways, and

closely coordinates with Transport Canada, and with the International Joint Commission and St. Lawrence Seaway River Board of Control regarding water level conditions.

TRANSPORTATION ACCESSIBILITY: Transportation is vital in maintaining independence and mobility for people with disabilities, linking them to employment, health care, and participation in the community. The President's New Freedom initiative seeks to create a more accessible public transportation system for individuals with disabilities. The Personal Responsibility and Work Opportunity Reconciliation Act limits the time a person can receive welfare benefits, and generally requires recipients to participate in job and training activities. For many of these people, access to transportation is the key to making a transition from welfare to work. Public transit helps connect our lower income population to employment.

Performance Goal:

Increase public transit systems' accessibility to those with disabilities.

Increase public transportation systems' ability to provide access to job sites.

Performance measures:

Percentage of bus fleets that are ADA-compliant.

Target:					
1999	2000	2001	2002	2003	2004
73	80	83	86	89	92
Actual:					
77	80	85	90#		

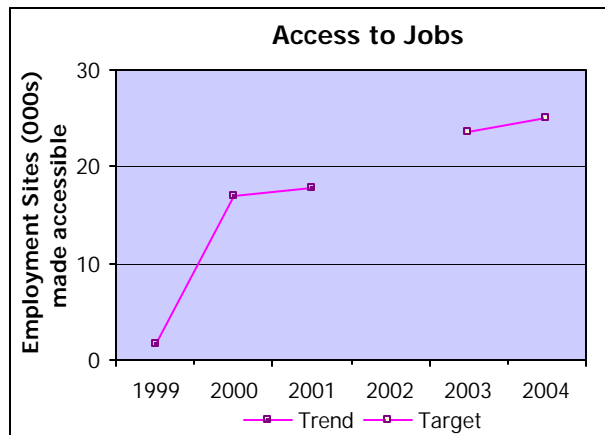
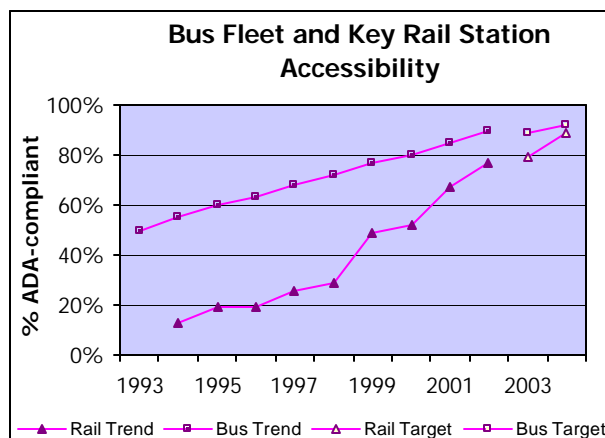
Percentage of key rail stations that are ADA-compliant.*

Target:					
1999	2000	2001	2002	2003	2004
37	47	58	68	79	89
Actual:					
49	52	67	77#		

Number of employment sites (000s) that are made accessible by Job Access and Reverse Commute (JARC) transportation services.

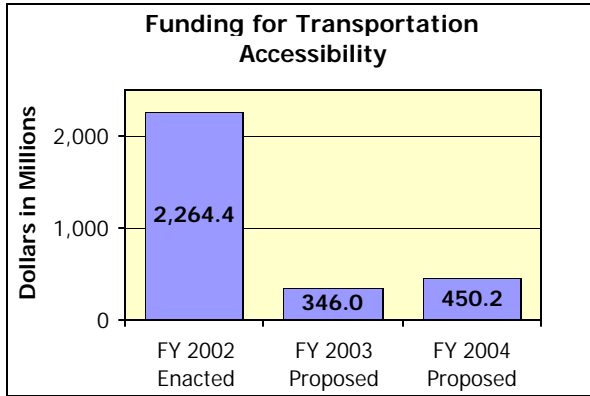
Target:					
1999	2000	2001	2002	2003	2004
N/A	4.1	15.7	20.4@	23.5	25.0
Actual:					
1.7	17.0	17.8(r)	N/A		

(r) Revised. # Preliminary estimate; * Does not reflect stations under a time extension as discussed below; @ Corrected; N/A. Not available.



External Factors: As the population ages, more people will require accessible public transit. States and local agencies decide how to best allocate federally provided resources to ensure ADA compliance.

Strategies and Initiatives to Achieve 2004 Target: DOT resources attributable to this performance goal are depicted below:



FTA Capital, Formula, planning and research, and Job Access and Reverse Commute grants help local transit operators meet the requirements of Americans with Disabilities Act (ADA) and assess compliance at rail stations, which are then self-certified as ADA-compliant. FHWA, FTA and other DOT organizations also work to improve the accessibility of other modes of transportation. FTA also provides grants to State and local governments and non-profit organizations representing the disabled, Native Americans, migrant workers, welfare recipients, and low-income individuals to create new and expanded transit services. The services are intended to move people from their homes to employment sites and other employment-related services, such as child-care and job training. Grants also support services that provide access to suburban employment sites.

FHWA administers \$1.5 billion in Congestion Management and Air Quality (CMAQ) funding, which is the major source of federal highway funds transferred to FTA for transit subsidies and other transit programs. Surface Transportation Program funds may also be used for transit purposes.

RSPA will guarantee critical and timely transportation services during natural and man-made disasters and national security crises.

Specific FTA initiatives include the following

- ? the President's New Freedom initiative will provide transportation alternatives for Americans with disabilities -- \$145 million in competitive matching grants to promote alternative transportation methods and help disabled Americans overcome transportation barriers;

- ? Special Needs of Elderly Individuals and Individuals with Disabilities grants will help meet transportation needs of the elderly and persons with disabilities when regular transportation services are unavailable, insufficient, or inappropriate to meeting their needs. (\$87 million);
- ? Formula Grants will help transit agencies make their bus fleets more accessible;
- ? Transit Planning and Research provides \$4.5 million to improve public transportation system accessibility. Project ACTION will conduct research, develop technology, and provide technical assistance to transit operators providing accessible service;
- ? Rural Transportation Accessibility Incentive Program helps over-the-road bus operators finance American with Disabilities Act compliance costs for over-the-road buses; (\$6.95 million) and
- ? Job Access and Reverse Commute grants help establish new transportation services and continue existing service linking welfare recipients to jobs. (\$150 million)

Other Federal Programs with Common Outcomes: DOT develops transportation strategies to meet the needs of elderly and disabled people, and the Department of Health and Human Services ensures that its services are accessible to its clients. Helping people move from welfare to work is a goal shared by the Department of Housing and Urban Development's "Bridges to Work" program, the Department of Labor's Welfare to Work (WTW) program, and HHS's Temporary Assistance to Needy Families (TANF) programs. Federal funds from these Departments may be used as part of the local match to DOT's Job Access grants and other non-DOT Federal aid. DOL and HHS have increased the scope and flexibility with which both WTW and TANF funds can be used for transportation purposes. Not only may these funds be used to fund clients' trips, but also these funds may now be used to fund new and expanded transportation services similar to the Job Access and Reverse Commute Program. Individual family reporting requirements and benefit time limits do not apply when WTW and TANF funds are used for new and expanded transportation service development.

INTERNATIONAL AIR SERVICE: Since the 1940's international air transportation has been subject to restrictive bilateral agreements that raise prices and artificially suppress aviation growth. DOT's policy is to negotiate bilateral agreements to open international air travel to market forces, thereby removing limitations on the freedom of U.S. and foreign airlines to increase service, lower fares, and promote economic growth. These agreements have made it possible for the airline industry to provide better quality, lower priced, more competitive service for millions of passengers in thousands of international city-pair markets.

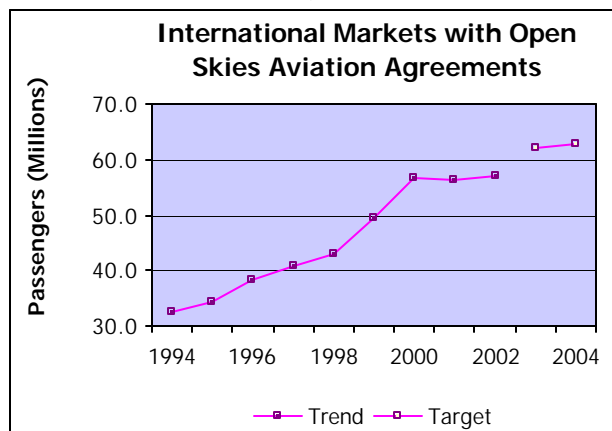
Performance Goal:

Increase the number of countries with which the United States has "open-skies" agreements and to increase the number of passengers that benefit from these agreements.

Performance measure:

Number of passengers (in millions) in international markets with open skies aviation agreements.					
Target:					
1999	2000	2001	2002	2003	2004
43.4	44.7	51.6	59.7	62.1	62.7
Actual:					
49.4	56.8	56.4(r)	57.0#		

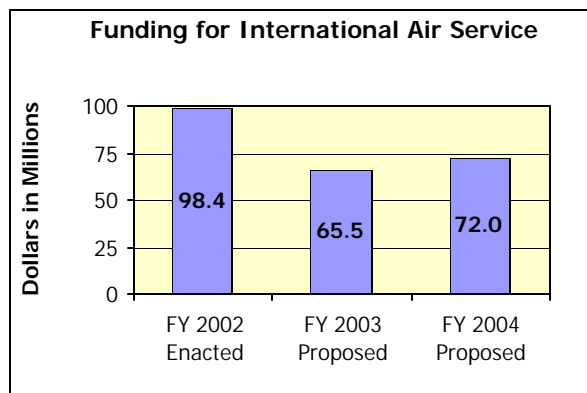
(r) Revised; # Preliminary estimate.



External Factors: Agreements to foster greater access are negotiated on a nation-by-nation basis, and must balance conflicting interests. Negotiating agreements and achieving passenger growth goals may be influenced by the strength of the world's economy and by regional economic cycles.

Strategies and Initiatives to Achieve 2004 Target:

DOT resources attributable to this performance goal are depicted below:



The domestic airline industry continues to undergo major changes, and international deregulation, which poses even more complex and controversial issues, is barely underway. Common to all of the aviation issues currently facing DOT is the need for in-depth and intensive analysis of practices, mergers, and international alliances. As the United States moves towards a multilateral approach to air service agreements, an understanding of long-term trends in the airline industry's operating and competitive structures is required to formulate and execute effective negotiating strategies to ensure pro-competitive liberalization.

Other Federal Programs with Common Outcomes:

The Department of State works with DOT in negotiations that support international aviation trade liberalization.

Performance Goals - Human and Natural Environment

<u>Performance Goal</u>	<u>Page</u>	<u>Data Details</u>
<u>Reduce Adverse Effects on Ecosystems and Improve Ecosystem Viability</u>		
Wetland Protection and Recovery	44	87
<u>Reduce Adverse Effects of Transportation Facilities</u>		
DOT Facility Cleanup	46	88
<u>Reduce Transportation Pollution</u>		
Mobile Source Emissions.....	48	88
Pipeline Hazmat Spills.....	50	89
Aircraft Noise Exposure.....	52	90

STRATEGIC OBJECTIVE: HUMAN AND NATURAL ENVIRONMENT

Protect and enhance communities and the natural environment affected by transportation.

We Aim To Achieve These Strategic Outcomes:

- ? Improve the sustainability and livability of communities.
- ? Reduce the adverse effects of transportation on ecosystems and the natural environment.
- ? Improve the viability of ecosystems.
- ? Reduce the adverse effects of transportation facilities on the natural environment.
- ? Improve equity for low income and minority communities concerning the benefits and burdens of transportation facilities and services.
- ? Reduce the amount of pollution from transportation sources.

Transportation makes our communities more livable, enhancing the quality of our lives and our society. However, transportation generates pollution, noise, and uses valuable land and aquatic habitat on which thriving fisheries depend. No matter how much is done to improve the capacity and efficiency of our transportation system, we cannot consider our programs to be successful unless we also manage the effects on our environment, and ultimately our quality of life.

DOT's objective is to advance the benefits of transportation while minimizing its negative environmental impacts. The FY 2004 budget proposes \$3.3 billion in environmental funding to maintain progress in achieving our outcomes.

A detailed analysis of our 2004 strategies follows.

Performance Goals

Reduce Adverse Effects on Ecosystems and Improve Ecosystem Viability

Wetland Protection and Recovery

Reduce Adverse Effects of Transportation Facilities
DOT Facility Cleanup

Reduce Transportation Pollution

Mobile Source Emissions

Pipeline Hazmat Spills

Aircraft Noise Exposure

WETLAND PROTECTION AND RECOVERY: Wetlands are an important natural resource. They provide natural filtration of pollutants, and they store and slow down the release of floodwaters, thereby reducing damage to downstream farms and communities. Wetlands also provide an essential habitat for biodiversity. But many of the Nation's wetlands have been lost to development over the years, before their value was fully recognized. Highways and transportation facilities (location, construction, and operation) can be a significant factor affecting these ecosystems.

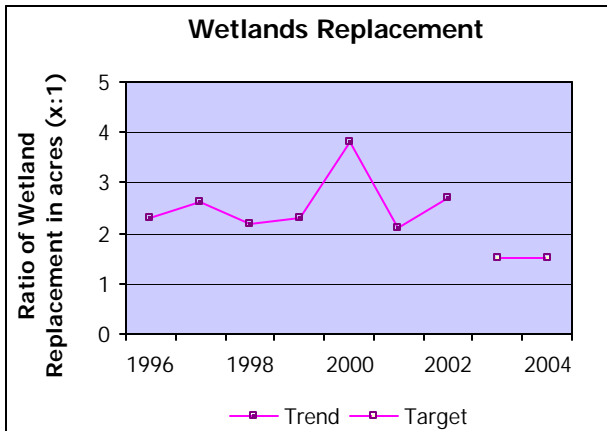
Performance Goal:

Replace each acre of wetland removed by a Federal-aid highway transportation project with half again as much in mitigation.

Performance measure:

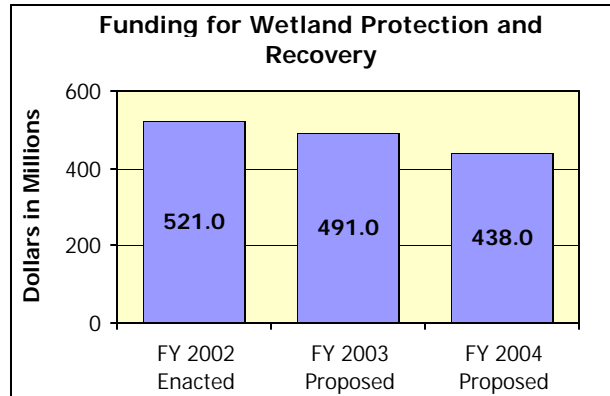
Program-wide ratio of wetland acres replaced per acre unavoidably affected by Federal-aid Highway projects.

Target:					
1999	2000	2001	2002	2003	2004
1.5	1.5	1.5	1.5	1.5	1.5
Actual:					
2.3	3.8	2.1	2.7		



External factors: Wetland impacts are sometimes unavoidable, especially when bridges are being built. Projects on existing alignments can cause wetland degradation that is impossible to avoid. In areas where the concentration of wetlands is high (southern bottomlands, Midwestern prairie potholes, and eastern pine flatwoods), transportation projects must often traverse wetlands to provide access to the area.

Strategies and Initiatives to Achieve 2004 Target: DOT resources attributable to this performance goal are depicted below:



FHWA and FTA work together to approve transportation infrastructure projects that do as little harm as possible to the Nation's wetlands.

FHWA promotes the design, construction, maintenance, and use of transportation projects that conform to Federal environmental legislation and regulations primarily through research, new technologies, analytical models, management training, and the transfer of technology. FHWA partners with other agencies to devise better ways of avoiding wetland takings, and to develop good mitigation practices when projects unavoidably involve wetlands. FHWA will conduct additional research and development on wetland protection and enhancement, practical techniques of habitat restoration, and ecosystem analyses and characterization. This includes research on ecosystem analyses and methodologies, water quality course development, storm water management practices, functional evaluation of wetlands, and public information measures.

To increase ecosystem and habitat conservation efforts, FHWA encourages projects such as wetland banking and watershed-based environmental assessment and mitigation approaches. FHWA also encourages integrated, multi-modal planning, environmental planning

project development at a systems level, and use of context-sensitive solutions at a project level.

To improve decision timeliness in the environmental review process, FHWA emphasizes the use of programmatic agreements with all involved parties, and State transportation agencies in particular, to encourage adherence to negotiated project timeframes and pre-established expectations for plan quality. FHWA funds are also used to provide technical assistance, training, and consultation with partners to resolve issues related to the National Environmental Policy Act and environmental review processes.

Other Federal Programs with Common Outcomes: DOT coordinates wetland programs and research initiatives with the Environmental Protection Agency; the Departments of Interior, Commerce, and Agriculture; the Coast Guard, and the Army Corps of Engineers. FHWA is a member of several Federal Committees on wetlands and participates in joint research studies with other Federal agencies on wetland evaluation and mitigation. Information is shared through all these activities.

DOT FACILITY CLEANUP: DOT has a special responsibility to ensure that its own facilities are compliant with environmental laws and regulations. Restoration activities involve identifying, investigating, and cleaning up contaminated sites. Compliance activities include the operation of facilities, equipment, and vessels in accordance with environmental requirements. Pollution prevention activities involve preventing future cleanup activities by avoiding the generation of pollutants in our operations or facilities. The Maritime Administration (MARAD) is required by law to dispose of obsolete ships in the National Defense Reserve Fleet (NDRF) by the end of FY 2006.

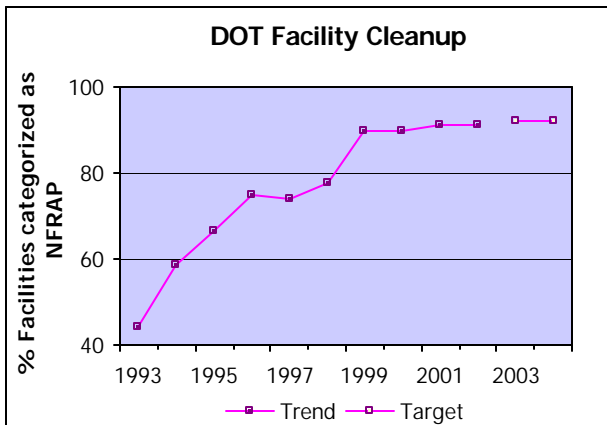
Performance Goal:

Ensure that DOT operations leave no significant environmental damage behind.

Performance measure:

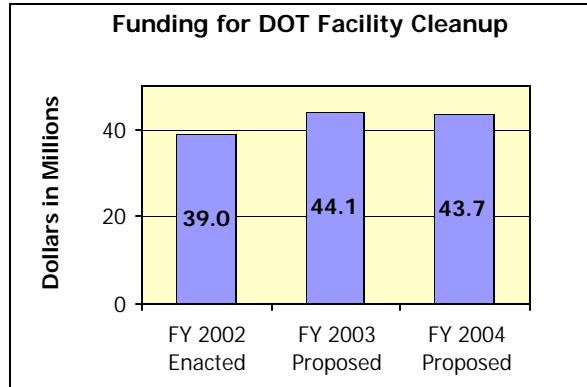
Percentage of DOT facilities categorized as No Further Remedial Action Planned (NFRAP) under the Superfund Amendments and Reauthorization Act (SARA).

Target:					
1999	2000	2001	2002	2003	2004
80	82	91	91	92	92
Actual:					
90	90	91	91		



External Factors: The Environmental Protection Agency has the authority to reactivate previously NFRAP sites, and new sites may be identified. Also, requirements may change as laws and resulting regulation change to reflect new research and findings. Ship disposals are dependent on a continued commercial interest in ship recycling.

Strategies and Initiatives to Achieve 2004 Target: DOT resources attributable to this performance goal are depicted below:



Facility cleanup will comply with the Superfund Amendments and Reauthorization Act (SARA) process and the requirements of the National Oil and Hazardous Substances Pollution Contingency Plan. A "worst first" prioritization system is used to assign highest priority to those facilities representing the greatest potential hazard to the public health and the environment. Regulatory factors at the local, State, and Federal levels are also considered in the decision-making process.

FAA funds pollution prevention; complies with occupational safety, health and environmental regulations; promotes good energy management practices; and conducts environmental impact analyses (\$32.8 million). Cleanup activities in compliance with mandatory schedules are ongoing in the Alaskan Region, the Mike Monroney Aeronautical Center, and the William J. Hughes Technical Center. FAA meets current EPA requirements for fuel storage tanks, and will continue to replace outdated fuel storage tanks at the end of their normal life cycle to prevent leakage; will register and test in-service tanks; and will investigate, remove or clean tanks at decommissioned facilities.

FRA will continue to work with the Department of Justice to resolve State issues at the formerly owned facility in Alaska.

FHWA will continue work at one facility to meet the legal requirements of the involved State.

MARAD is the U.S. Government's disposal agent for merchant type vessels 1,500 gross tons or more. Due to the presence of hazardous substances such as asbestos and solid and liquid polychlorinated biphenyls (PCBs) and concerns raised by the EPA about the export of PCBs, sales for overseas disposal were halted in 1995. MARAD plans to dispose of additional ships in FY 2004 (\$11.4 million).

Other Federal Programs with Common Outcomes: DOT facility cleanup is based on EPA standards and is in line with government-wide efforts under SARA.

MOBILE SOURCE EMISSIONS: The National Ambient Air Quality Standards target six major pollutants as among the most serious airborne threats to human health. Transportation is a major contributor to some of the pollutants, particularly ozone, carbon monoxide and particulate matter. About two-thirds of transportation-related emissions come from on-road motor vehicles. The quality of our air is a public good, and the cost of these pollutants is not captured in the marketplace. For this reason, the Government works to mitigate this negative impact.

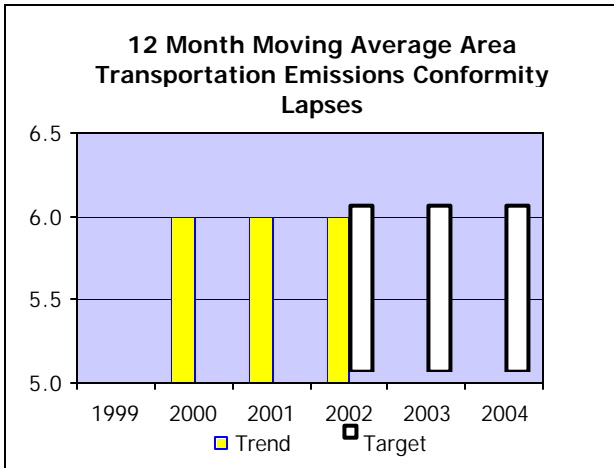
Performance Goal:

In support of the President’s Clean Air Initiative, reduce on-road mobile source emissions by 20 percent of the 1996 baseline.

Performance measure:

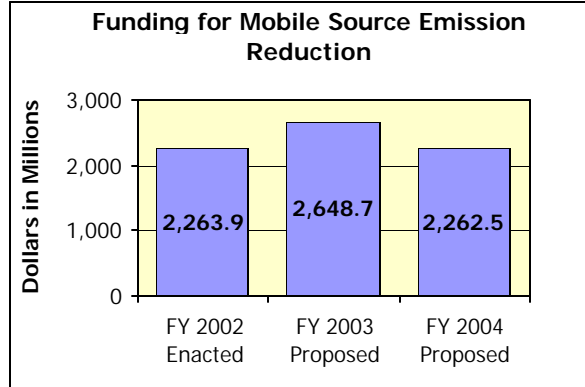
12-month moving average number of area transportation emissions conformity lapses.

Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	6.0	6.0	6.0
Actual:					
N/A	6.0	6.0	6.0		



External Factors: Growth in the U.S. economy has translated into annual growth in vehicle-miles traveled (VMT). The principal component—private vehicles—provides flexibility to consumers. So diversion of users to other, more emission-efficient modes must be balanced with market choice and other economic factors.

Strategies and Initiatives to Achieve 2004 Target: DOT resources attributable to this performance goal are depicted below:



The National Ambient Air Quality Standards (NAAQS) were defined in the Clean Air Act of 1970 and reinforced by the Federal Clean Air Act Amendments of 1990. Areas that do not meet the NAAQS are designated ‘non-attainment’, and former non-attainment areas that are now in compliance are designated ‘maintenance’. These areas are eligible for special funding to help meet their air quality goals, but are also subject to sanctions if those goals are not met. The transportation conformity process is intended to ensure that transportation plans, programs, and projects will not create new violations of the NAAQS, increase the frequency or severity of existing violations, or delay NAAQS attainment in designated non-attainment (or maintenance) areas.

During the 1990s, the percent of non-attainment and maintenance metropolitan areas that met their emissions goals continued to increase, and total on-road mobile source emissions continued to decline from 87.4 million tons in 1988 to 64.2 million tons in 1999.

DOT aims to reduce mobile source emissions by encouraging the use of less polluting transportation; designing and implementing infrastructure that reduces congestion and emissions; researching and modeling the emissions impacts of investment choices; and

supporting the development of fuel- and emission-efficient vehicles.

FHWA identifies approaches to demonstrating conformity in rural non-attainment areas. By increasing the percent of transportation areas that maintain conformity to the air quality regulations, the Department contributes to a reduction in on-road mobile source emissions and the overall improvement in the Nation's air quality.

Through research, new technologies, and analytical models, FHWA promotes the design, construction, maintenance, and use of highways that are compatible with the National environmental goals. In partnership with our stakeholders, FHWA supports the development of environmental analytical models to assist decision makers. FHWA provides resources, guidance, and technical assistance for States and local agencies to ensure compliance with the National Ambient Air Quality Standards, especially reducing transportation-related emissions.

Major programs in 2004 include projects to reduce emissions through the Congestion Mitigation and Air Quality (CMAQ) program (\$1.4 billion); identifying challenges in implementing amended conformity regulations for clean air by issuing guidance and providing technical assistance; assisting State and local partners in the implementation of the transportation conformity regulation in new non-attainment areas, and studying rural air quality issues and developing approaches to demonstrate conformity in rural non-attainment areas; expanding the transportation and air quality public education effort including the Alliance for Clean Air and Transportation.

Through continued research, FHWA will develop approaches to improve air quality and to evaluate emissions impacts and cost-effectiveness of transportation strategies. Activities include research on air toxics and a 2.5-micron particulate matter emission model to support new National Ambient Air Quality Standards.

Other Federal Programs with Common Outcomes: FHWA and EPA work cooperatively to implement a number of initiatives, including the Transportation and Air Quality public education initiative, the transportation conformity regulation, and the CMAQ program. The DOT and EPA have also jointly funded a number of research efforts

that target the reduction of mobile source emissions.

PIPELINE HAZMAT SPILLS: Americans expect reliable delivery of the products that fuel our vibrant economy, enable their mobility and enhance their quality of life. They expect that the pipelines that deliver these products, pipelines that move through their communities as well as nearby sensitive environments, will pose no danger to life, property or the environment. The recently enacted Pipeline Safety Act of 2002 will reinforce and strengthen initiatives and programs that RSPA already has in place to diminish risks of environmental harm from pipeline spills. Because of the volume of liquid hazardous materials moved by pipelines, any spill into the environment is potentially a significant one.

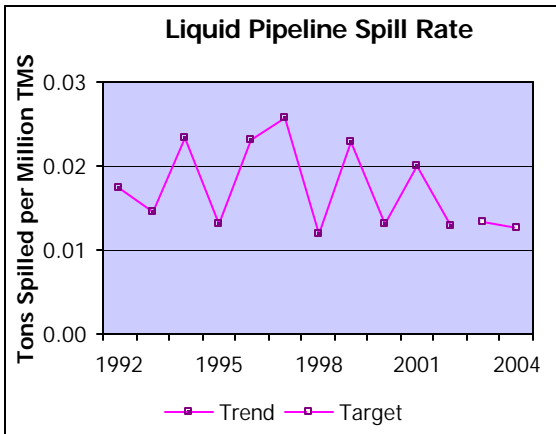
Performance Goal:

Reduce pipeline hazmat spilled 30 percent by 2006, from the last five years' average spill rate (0.0162 per million ton-miles shipped).

Performance measures:

Tons of hazardous liquid materials spilled per million ton-miles shipped by pipelines.					
Target:					
1999	2000	2001	2002	2003	2004
.0171	.0161	.0151	.0142	.0134	0.126
Actual:					
.0229	.0131(r)	.0201	.0109#		

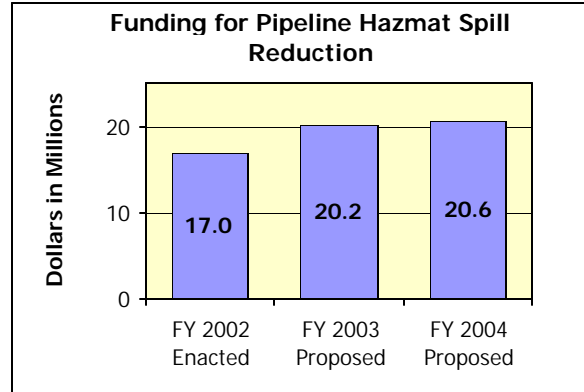
(r) Revised; # Preliminary estimate based on partial year data.



External Factors: Prevention and mitigation of pipeline spills requires improved site-specific knowledge of water and sensitive environmental areas to provide tailored actions to prevent leaks, and, if they do occur, assure that appropriate and timely response is undertaken.

Strategies and Initiatives to Achieve 2004 Target:

DOT resources attributable to this performance goal are depicted below:



To reduce pipeline failures, thereby reducing hazmat spills from pipelines, RSPA reviews integrity management program compliance of large hazardous liquid pipeline operators subject to RSPA's integrity management program (IMP). RSPA will increase IMP reviews to 75% of pipeline miles operated by the nation's 65 largest hazardous liquid pipeline operators. RSPA will accelerate integrity testing, comprehensively evaluate all pipeline risks, and strengthen Federal/State pipeline safety oversight. Testing, evaluation, and repair will result in finding and solving problems before they lead to failures thereby directly supporting the goal of reducing spills. These initiatives support the National Energy Policy for energy infrastructure growth by improving the integrity of, and public confidence in, existing pipeline infrastructure.

Other activities that will help further reduce spill size and consequence include:

- ? enforcing operator qualification requirements;
- ? expanding participation in industry consensus standards addressing in-line inspection technologies and qualifications criteria for the analysts who interpret their results;

- ? developing a standard for content and distribution of public education programs of operators;
- ? improving engineering support for construction oversight, accident investigation, and monitoring remedial work on pipelines through contracted engineering services;
- ? improving analysis of the risks that pipelines pose to people and the environment through information systems improvements;
- ? enhancing readiness of both pipeline operators and local communities to recognize and mount effective and timely responses to pipeline accidents; and
- ? expanding pipeline operator oil spill response exercises involving local, State, and other Federal personnel, with a new emphasis on security.

Pipeline integrity research helps assure that America's communities can live safely with pipelines by developing the technologies that detect or monitor the main causes of pipeline failure: construction-related damage, corrosion, material defects, and human error. These technologies will enable pipeline operators to identify and eliminate the defects that lead to death, injuries, and environmental damage.

R&D initiatives that help reduce spill size and consequence include:

- ? expanding ongoing acoustical monitoring technology that can help prevent construction-related damage to pipelines;
- ? developing new technologies to reveal defects in pipelines currently unpiggable using conventional in-line inspection technologies;
- ? enabling in-line inspection technologies to accurately detect and characterize longitudinal (e.g., seam) failures - an ability not shared by current in-line tools built primarily to detect circumferential defects from corrosion;
- ? beginning important new work on the application of remote sensing technologies to detection of right-of-way intrusion and remote monitoring of pipeline control systems;
- ? expanding airborne laser mapping leak detection technology; and

- ? development of regulatory standards for leak detection technology and of related best practices.

Other Federal Programs with Common Outcomes:

RSPA will work to reduce the frequency and the size of spills by working with the Federal Energy Regulatory Commission, the National Oceanic and Atmospheric Administration, the Department of Energy, the U.S. Geological Survey, and the Department of Homeland Security to help analyze risks to environmentally sensitive and populated areas through finalization of a National Pipeline Mapping System. RSPA is also working with the National Association of Pipeline Safety Representatives, trade associations such as the American Petroleum Institute, and other industry partners in designing new reporting systems and data improvements.

RSPA is working with the Environmental Protection Agency, the Department of Interior, and other natural resource trustees, environmental organizations, and the public to identify drinking water and ecological resources that are unusually sensitive to environmental damage from spills. RSPA has completed the Drinking Water Data Catalog as part of an environmental index initiative and has added the catalog to the web site, <http://ops.dot.gov>.

AIRCRAFT NOISE EXPOSURE: Public concern and sensitivity to aircraft noise around airports is high. In recent years, noise complaints have increased even while quieter aircraft technology has been introduced. 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 reduction in the number of people exposed to high levels of aircraft noise, although its efforts were complemented by noise compatibility projects funded under the Airport Improvement Program (AIP). While the new international aircraft noise standard will encourage the introduction of quieter aircraft into operations, AIP-funded noise compatibility projects will be the principal means employed by Government to mitigate significant aircraft noise exposure.

Performance Goal:

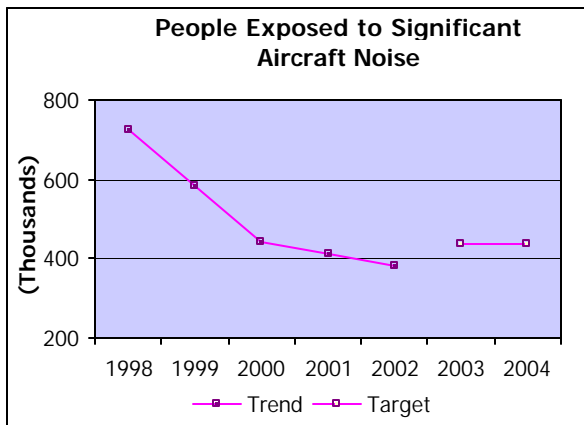
Reduce the number of people impacted by significant levels of aircraft noise by 62,500 between FY 2003 and FY 2007 through reduction in aircraft noise exposure including residential relocations, and mitigation including sound insulation.

Performance measure:

Number of people in the U.S. (in thousands) who are exposed to significant aircraft noise levels (Day/Night Average Sound Level (DNL) 65 decibels or more).

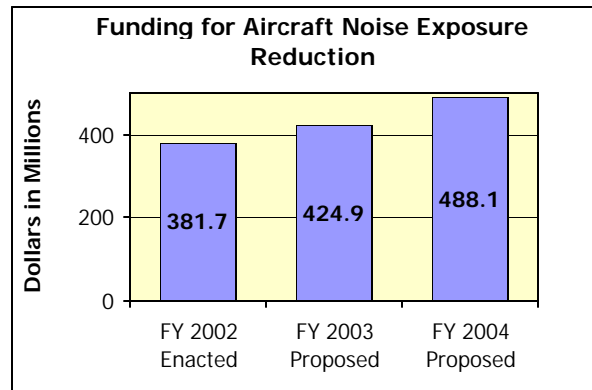
Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	440	440	437	436
Actual:					
585	440	411(r)	379#		

(r) Revised; # Preliminary estimate.



External Factors: Population growth around airports and increasing flight activity are factors that can negatively impact the FAA's ability to meet future noise exposure goals.

Strategies and Initiatives to Achieve 2004 Target: DOT resources attributable to this performance goal are depicted below:



DOT pursues a program of aircraft noise control in cooperation with the aviation community through noise reduction at the source (development and adoption of quieter aircraft), soundproofing and buyouts of buildings near airports, operational flight control measures, and land use planning strategies. The number of people exposed to significant noise levels was reduced by about 90% between 1975 and 2000. This is due primarily to the legislatively-mandated transition of airplane fleets to newer generation aircraft that produce less noise. Most of the gains from quieter aircraft were achieved by FY 2000.

The remaining problems must be addressed primarily through airport-specific noise compatibility programs, using measures such as soundproofing and relocation of residences. FAA is authorized to provide funds for these purposes, but each project must be locally sponsored and be a part of a noise compatibility program prepared by the airport sponsor and approved by the FAA. The measure above reflects noise exposure, which is affected by changes in aircraft arrival and departure operations, changes in the aircraft fleet mix, and relocation of people from the Day/Night

Average Sound Level (DNL 65) contour. An FAA supplemental performance measure, described below, tracks numbers of people benefiting from AIP-funded noise compatibility projects.

In 2004, FAA will:

- ? continue to provide funds for such noise reduction activities as residential relocation, the soundproofing of residences and buildings used for educational or medical purposes near airports, land use compatibility including purchase of buffer zones around airports, and noise reduction planning (\$472.2 million);
- ? continue to develop noise research and assessment technologies (\$5.2 million);
- ? implement operational flight control measures to help reduce neighborhood exposure to aircraft noise, and in cooperation with the National Park Service, assess noise exposure and develop Air Tour Management Plans for national parks, as authorized in AIR-21 (\$10.7 million); and
- ? examine and validate methodologies used to assess aircraft noise exposure, including incorporation of effects of land-use policies and residential sound insulation programs.

FAA Supplementary performance measure:

Cumulative annual number of people in residential communities (000s) benefiting from Federally funded noise compatibility projects.

Target:					
<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
N/A	N/A	N/A	N/A	12.5	25.0

Actual:
This is a new goal for FY 2003 and beyond.

FAA provides funding to mitigate the effects of aviation noise for residents within the significant noise footprint around busy airports. The number of people expected to benefit will be derived from the number of residential units to be insulated or relocated as identified in grant applications or through other airport sponsor submissions.

Other Federal Programs with Common Outcomes:

FAA has been engaged with NASA in joint noise reduction technology research. NASA in coordination with FAA and its industry partners is formulating a new Quiet Aircraft Technology (QAT) initiative to build upon the current research

with a goal of reducing future aircraft perceived noise levels by half (10 decibels) within 10 years, and by a factor of 4 (20 decibels) within 25 years, using 1997 subsonic aircraft technology as the baseline.

Performance Goals – Homeland and National Security

<u>Performance Goal</u>	<u>Page</u>	<u>Data Details</u>
<u>Increase National Defense Capability</u>		
Strategic Mobility	56	91

STRATEGIC OBJECTIVE: HOMELAND and NATIONAL SECURITY

Ensure the security of the transportation system for the movement of people and goods, and support the Homeland and National Security Strategies.

We Aim To Achieve These Strategic Outcomes:

- ? Reduce the vulnerability of the transportation system and its users to crime and terrorism.
- ? Increase the capability of the transportation system to meet national defense needs.

Ensuring the national transportation system's ability to function during and after terrorist or other criminal attack is equal in importance to transportation safety.

DOT's contributions to National Security are twofold:

- ? in cooperation with the new Department of Homeland Security (DHS), ensure that the nation's transportation system is able to function effectively while under attack or after natural disasters strike; and
- ? make essential contributions to the Defense Department's strategic mobility through management and operation of the nation's strategic sealift reserve - the Ready Reserve Force.

DOT and the Department of Homeland Security are jointly designing cooperative agreements spelling out roles and responsibilities for Homeland Security and transportation assurance, and performance goals and measures will be designed later in FY 2004. The FY 2004 budget proposes \$631.9 million to achieve progress toward these outcomes. A detailed analysis of our 2004 strategy follows.

Performance Goal

Increase National Defense Capability Strategic Mobility

Management Challenge – Establishing and Managing an Ongoing DOT/DHS Programmatic Relationship (IG/GAO)

The IG and GAO have identified interagency management of the relationship between transportation system security and maintaining the U.S. transportation systems' contribution to national economic vitality as a major management challenge facing both Departments.

In close cooperation with the Department of Homeland Security:

- ? SLSDC will continue actions to secure the U.S. portion of the St. Lawrence Seaway infrastructure.
- ? FRA will work in concert with TSA to insure proper harmonization of safety and security regulations for the rail industry.
- ? FHWA will work with States to improve highway operations with an eye toward security of connections to strategic ports, critical infrastructure elements on the strategic highway system such as tunnels and

bridges, and will work with DOD's Transportation Command to ensure adequate planning is conducted for strategic movement of military cargos over the nation's highway system.

- ? FMCSA is implementing Section 1012 of the USA PATRIOT Act in coordination with the Department of Justice, the U.S. Department of Health and Human Services, and the American Association of Motor Vehicle Administrators. FMCSA is developing security risk review procedures for all persons seeking issuance, renewal, upgrade, or transfer of a hazardous materials endorsement for a commercial driver's license (CDL).
- ? FTA is conducting security research and deploying the knowledge gained in training courses for transit system operators nationwide.
- ? RSPA is working closely with pipeline operators to develop and share best practices in security pipeline control facilities and mechanisms.

STRATEGIC MOBILITY: To maximize DOD's logistics capability and minimize its cost, defense sealift relies heavily on the U.S. commercial sector. The ability of the United States to respond to future military contingencies will require adequate U.S.-flag sealift resources, skilled U.S. maritime labor, and the associated maritime infrastructure. DOT helps provide for a seamless, time-phased transition from peace to war operations while balancing the defense and commercial elements of our transportation system. The Ready Reserve Force (RRF) is a key source of strategic sealift capacity to support the rapid deployment of U.S. military forces during the early stages of a military crisis. Merchant mariners employed on commercial vessels in the U.S. domestic and international trades provide the core job skills needed to crew the RRF. DOT is responsible for establishing DOD's prioritized use of ports and related intermodal facilities during DOD mobilizations, when the smooth flow of military cargo through commercial ports is critical.

Performance Goals:

Ensure sufficient contingency sealift and commercial outload ports are available to support DOD mobilization requirements.

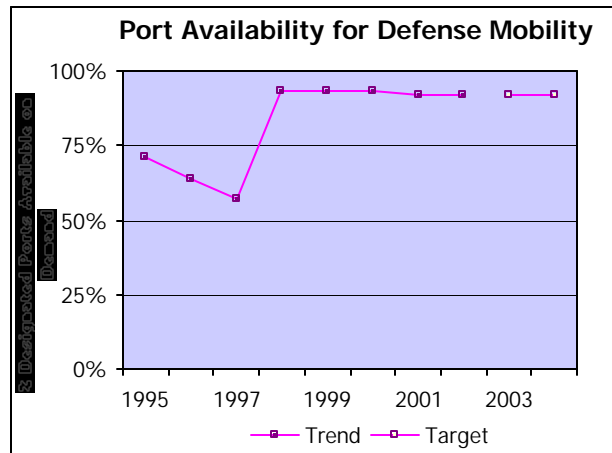
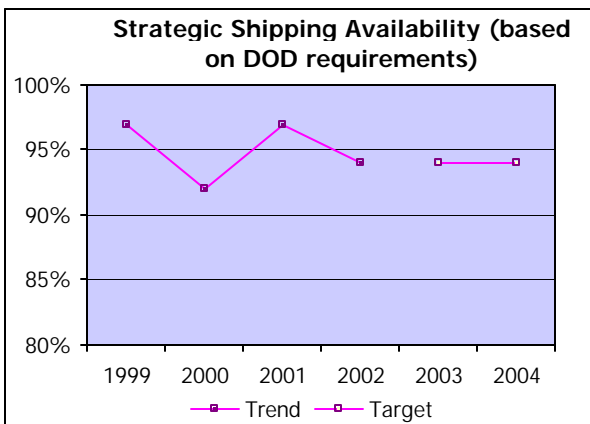
Performance measures:

Percentage of DOD-required shipping capacity complete with crews available within mobilization timelines.

Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	93	94	94
Actual:					
97	92	97	94		

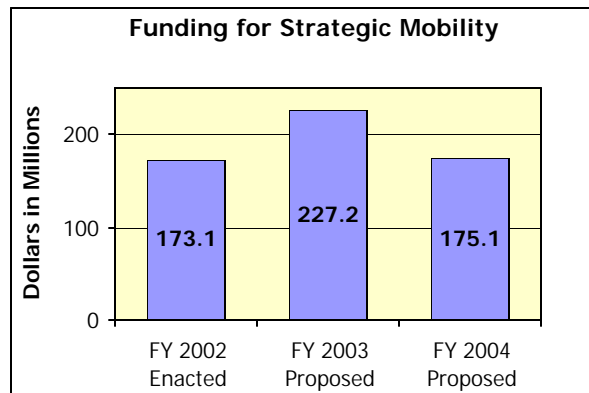
Percentage of DOD-designated commercial ports available for military use within DOD established readiness timelines.

Target:					
1999	2000	2001	2002	2003	2004
90	90	93	92	92	92
Actual:					
93	93	92	92		



External Factors: Business decisions resulting in further globalization and consolidation of shipping companies could reduce the availability of U.S.-flag sealift capacity.

Strategies and Initiatives to Achieve 2004 Target: DOT resources attributable to this performance goal are depicted below:



DOT's ability to provide adequate sealift depends on three elements in combination: adequate privately owned U.S.-flag merchant shipping

available for defense logistic needs, adequate government-owned reserve sealift, and an adequate base of qualified, available mariners to crew the ships DOD needs for its strategic sealift reserve. DOD funds the RRF, and MARAD manages it.

MARAD will work with DOD and carriers to ensure the continued full commitment of commercial capacity to the Maritime Security Program (MSP) (\$98.7 million) and the Voluntary Intermodal Sealift Agreement (VISA) program. The MSP is a Federal maritime financial assistance program administered by MARAD designed to retain modern, U.S.-owned, U.S.-flagged and U.S.-crewed militarily-useful sealift assets in international trade, as a U.S. national security asset, at a lower cost than that of the government owning and maintaining an equivalent capability. MARAD will continue to maintain VISA sealift agreements with U.S.-flag ocean carriers to provide DOD with assured access to sealift and to enhance the delivery of equipment and intermodal transportation services to DOD utilizing the best commercial practices in both peacetime and during contingencies.

In addition, MARAD, DOD and the industry will seek to ensure rapid crewing of RRF vessels and increased efficiency of the fleet sites to speed activations. MARAD will continue the RRF maintenance and repair regimen for all RRF vessels in FY 2004 and provide for berthing arrangements for each RRF ship according to its prescribed readiness status.

MARAD's mariner education and training programs will continue to provide for training of new merchant marine officers through the United States Merchant Marine Academy (\$52.9 million) and state-run regional maritime academies (\$9.5 million). These training programs replenish the pool of available officers and increase the competence of current mariners through continuing education programs.

In addition to merchant marine officer training, MARAD will continue to work with the Ship Operations Cooperative Program (SOCP) members and other industry partners to improve mariner recruitment and retention. The SOCP is an industry-government, cost-sharing partnership formed to enhance the U.S. maritime industry. MARAD, the SOCP, and other industry partners have worked together over several years to raise

awareness about maritime careers. Without additions to the labor pool from new entrants, the marine base of available skilled U.S. seafarers, particularly unlicensed mariners, would shrink and insufficient mariners would be available to crew our strategic sealift ships in time of emergency.

MARAD will also continue a variety of port readiness activities at the 13 DOD-designated commercial strategic ports. Building upon planned 2003 achievements, MARAD will work with its National Port Readiness Network (NPRN) partners in 2004 on improving the size and quality of port readiness exercises and training. Currently, Port Readiness Exercises (PRX) are locally focused, which limits their usefulness in addressing the readiness of the transportation system beyond the port. Because military activation can create disruptions far beyond those boundaries, MARAD will work to establish Regional PRXs. These broader exercises will provide additional tactical deployment training and also test regional infrastructure capacity and needs. In the current environment of heightened security, no-notice port readiness assessment visits and exercises will be introduced to provide a better picture of the day-to-day readiness of the system. MARAD will undertake an assessment of transportation infrastructure, port security and force protection enhancements necessary to support new security needs. Since September 11, the adequacy of trained labor has also become a significant issue. For this reason, MARAD will also identify the level of readiness training for longshore labor used during deployments.

FHWA coordinates with military and State authorities to ensure highways, facilities and transportation procedures support "fort-to-port" movements of military units and cargos. Critical to deployment logistics are properly accounting for size and weight of military vehicles and load capacities in planning and design of strategic highway systems. FHWA improves the condition of the strategic highway network, and participates in planning exercises to ensure efficient military deployment.

Other Federal Programs with Common Outcomes: The U.S. Transportation Command (USTRANSCOM) is responsible for ensuring adequate sealift transportation of military cargo to support military needs. They determine the readiness status and siting of RRF ships in order to support their force projection mission and

provide annual program planning guidance so that MARAD can develop RRF budget requirements.

DOD relies upon commercial merchant mariners to crew the ships activated for sealift purposes. MARAD meets regularly with DOD personnel to coordinate planning for crewing requirements.

Under a 1984 Memorandum of Understanding (MOU) on Port Readiness, MARAD, MTMC, the U.S. Army Corps of Engineers, the U.S. Coast Guard, the Military Sealift Command, the U.S. Army Forces Command, USTRANSCOM, and the U.S. Northern Command, agreed to jointly support efficient movement of military forces and supplies through U.S. ports. The MOU establishes a National Port Readiness steering group and a working group, both chaired by MARAD that contain representatives of all nine agencies. The steering group provides policy direction and sets broad priorities for accomplishing the objectives set forth in the MOU and the working group implements them.

Implementing the President’s Management Agenda Organizational Excellence Strategies

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ORGANIZATIONAL EXCELLENCE

IMPLEMENTING THE PRESIDENT’S MANAGEMENT AGENDA

Advance the Department’s ability to manage for results and innovation.

STRATEGIC MANAGEMENT OF HUMAN CAPITAL

President Bush’s management agenda focuses on long-term management of the Federal workforce and fostering a citizen-centered, results-based government that is organized to be agile, lean, and capable of making timely decisions. As we determine our human capital requirements, DOT serves its customers by implementing well-chosen, strategic human capital solutions.

COMPETITIVE SOURCING

We will use competitive sourcing as a key tool for getting the Department’s commercial-type work done most efficiently. By doing so, we can ensure that we are providing the highest quality and the most economical service to Americans.

FINANCIAL AND PROCUREMENT PERFORMANCE

Improved financial performance is a key aspect of improving the government’s performance. Knowing the full cost of DOT’s goods and services is the first prerequisite to managing DOT’s programs well. The General Accounting Office and the DOT IG have also identified DOT financial management as requiring focused effort to make needed improvements. Good financial stewardship, excellent and efficient procurement and acquisition systems, and improved financial performance are cornerstones of excellent DOT management.

CITIZEN-CENTERED GOVERNMENT

President Bush has called for citizen-centered Government that improves service to individuals, businesses, and State and local government through the use of information technologies. DOT is committed to improving transportation through market-based policies that foster competition, increase the range of transportation choices available to travelers and shippers, and making the U.S. transportation system as efficient as possible in order to enable maximum economic growth. DOT is also committed to better use of information technology to enable faster, easier, and more efficient ways for citizens to transact their business with DOT and to provide input on transportation policies and programs.

BUDGET AND PERFORMANCE INTEGRATION

The President’s Management Agenda stresses a sea change in Federal management – that of changing yearly budgetary and resource management decision focus from the “increment” to the “base” and by a relentless focus on accountability for programmatic results. This focus will be achieved by holding executives and managers accountable for results, and by making investment decisions based upon what has been demonstrated to work. Regular, systematic measurement, and accountability for program performance compared to pre-established goals, will be the means to improve DOT management.

In implementing the President's Management Agenda in DOT, we aim to achieve these organizational excellence outcomes:

- ? Improve customer satisfaction
- ? Improve employee satisfaction and effectiveness
- ? Improve organizational performance and productivity

DOT is committed to the President's vision of a citizen-centered, results-oriented government, and one that promotes innovation in transportation through market-based policies and through fostering competition in the transportation sector of the U.S. economy. A well-managed organization with a strong customer focus, a skilled and highly motivated workforce, and an emphasis on managing for results is essential to achieving DOT's goals. DOT is committed to improving its overall effectiveness and efficiency by listening to customers, providing top-quality service by reducing bureaucracy, enabling employees to develop and utilize their full potential consistent with the Department's goals, and efficiently managing programs for maximum performance. DOT's ability to meet its strategic goals is enabled through restructuring the entire DOT organization, by investments in information technology for customer transactions with the Department, by improving financial management systems, and by thinking creatively and innovatively. In 2004, DOT expects to achieve excellent progress in all five areas of the President's Management Agenda.

The FY 2004 budget proposes \$284.5 million in funding to promote organizational excellence and meet the President's management agenda. An analysis of DOT's 2004 strategies follows.

Performance Goals

- Small Disadvantaged and Women-Owned Business Contracting
- Environmental Justice
- Major DOT Systems Acquisition Performance
- Major Federally Funded Infrastructure Project Performance
- Timely Transit Grant Approvals

Strategic Management Of Human Capital

By fall 2006 large numbers of DOT employees will become eligible for retirement, and in DOT's critical occupations, such as engineers and executive managers, the numbers are especially high. To maintain the capability we need, DOT will:

- ? implement human capital solutions derived from the Departmental Human Capital Plan, including competitive sourcing and restructuring;
- ? establish a corporate approach to target recruitment efforts, with special emphasis on cross-modal mission critical occupations. This includes a pilot program for centrally recruiting and training entry-level employees for one or more mission-critical occupations;
- ? consolidate HR resources currently scattered across the Department devoted to employee benefits and workers' compensation (non-FAA). These consolidations will result in more efficient use of resources, improved customer service, and improved safety and significant future cost avoidance;
- ? convene a Diversity Summit to engage DOT leadership in an open and constructive dialogue on the Department's strategy and progress for managing diversity; and
- ? expand telecommuting within DOT.

Management Challenge – Air Traffic System Organization and Management (IG)

The IG identified carrying through with FAA authorities to convert the Air Traffic Services line of business to a performance-based organization as a major challenge.

FAA plans to redirect a major portion of its organization - 37,300 employees - into a results-oriented Air Traffic Organization (ATO), freeing most of the FAA to manage better, and modernize faster and more efficiently.

Management Challenge – Strategic Human Resource Planning (GAO/OMB)

GAO has stated that the entire Federal Government faces an impending wave of retirements of long-service, highly competent

Federal employees. From this arises a large-scale strategic human resource planning issue. While this exodus of talent will not happen overnight, DOT must plan now to maintain required levels of experience, competencies, and knowledge levels in the Department's civilian and contract workforce. Succession planning as well as managing and maintaining adequate institutional knowledge will be crucial for DOT's ability to carry out its functions during this period of high workforce turnover.

The Department's Strategic Human Capital Management Plan will address the President's Management Agenda and GAO's management challenge.

Competitive Sourcing

By the end of 2004, DOT will have competed 35% of the commercial positions identified in DOT's FAIR Act inventory. FAA will compete the majority of its FTE associated with its Automated Flight Service Centers (except in Alaska), which accounts for 77 percent of the total FTE to be competed by the end of FY 2003.

Financial and Procurement Performance

Acquisition Management:

Performance Goals:

For major DOT systems acquisition projects, achieve 90 percent of cost and schedule milestones, and achieve 100 percent of planned capability and performance benefits upon full fielding of the capital equipment.

Award at least 5 percent of direct DOT contracts to women-owned businesses, and at least 14.5 percent of direct DOT contracts to small disadvantaged businesses.

Performance measures:

For major DOT systems acquisitions, percentage of cost and schedule goals established in acquisition project baselines that are met.

Target:					
1999	2000	2001	2002	2003	2004
New goal in 2002			90	80	80
Actual:					
New goal in 2002			74		

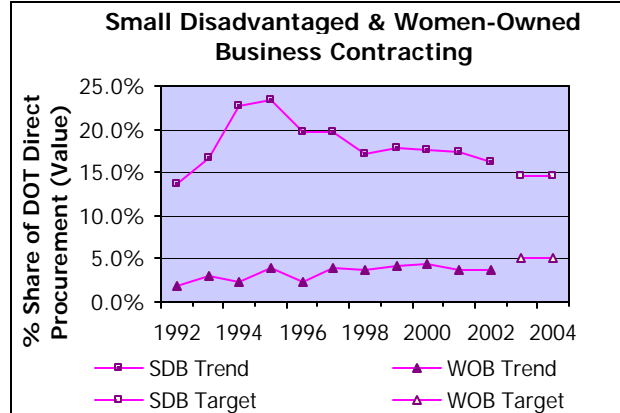
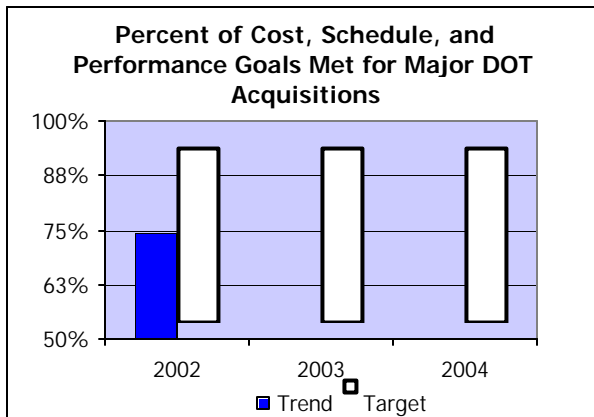
Percent share of the total dollar value of DOT direct contracts that are awarded to women-owned businesses.

Target:					
1999	2000	2001	2002	2003	2004
5	5	5	5.1	5.1	5.1
Actual:					
4.1	4.5	3.7(r)	3.8#		

Percent share of the total dollar value of DOT direct contracts that are awarded to small disadvantaged businesses.

Target:					
1999	2000	2001	2002	2003	2004
14.5	14.5	14.5	14.5	14.5	14.5
Actual:					
17.9	17.7	17.4(r)	16.2#		

(r) Revised; # Preliminary estimate.



Performance-based contracting – DOT's agency-wide Procurement Performance Management System policy includes a measure for Performance Based Service Contracting consistent with the 20% by FY 2004 goal established in the Government-wide Acquisition Performance Measurement Program. For 2004, DOT intends that 20% of all service contract dollars will be performance based.

Small Disadvantaged (SDB) & Women-Owned Business (WOB) Contracting: DOT's SDB and WOB percentage goals are set in cooperation with the Small Business Administration (SBA), and total 19.5 of the total dollar value of direct DOT contracts. WOBs do not have a special set-aside authority allowing them to compete in a restricted market for Federal procurements. Therefore, WOBs must successfully compete with other small businesses for small business set-aside procurements or with all businesses for full and open procurements. To assist WOBs to successfully compete, DOT and the Office of Small and Disadvantaged Business Utilization (OSDBU) conduct outreach, training and offer financial assistance. DOT is increasing its outreach efforts to SDBs and the contracting community itself. DOT's \$3 million outreach and technical assistance program will help small businesses in general, many of which are disadvantaged or women-owned businesses.

Management Challenge – FAA Acquisition Management (IG/GAO)

The IG and GAO have identified FAA's management of major systems acquisitions and taking increased advantage of FAA's acquisition flexibilities as major challenges. It is critical that air traffic system modernization projects be fielded on time and on budget for continued

progress to be made in reducing congestion in the nation's air transportation system as demand for flights grows back to and beyond pre-9/11 levels.

The discussion above and the performance measures respond in full to this management challenge.

Financial Management:

DOT's FY 2002 Consolidated Financial Statement again received an "unqualified" opinion from the IG, and DOT is confident that this will be the case for the future as well. DOT continues to implement Delphi, the Department's commercial off-the-shelf core accounting system replacement.

DOT is making good progress in being able to report quarterly financial results by FY 2003, and we will be better able to manage unit costs of service delivery in all front-line functions for citizens - for example, in issuing airman and merchant mariner documents, and in processing innovative financing or grant applications. As a result of this progress, the auditors have lowered FAA's vulnerability assessment in the asset management area from a material weakness to a reportable condition. FAA continues to address asset management problems through detailed corrective action plans extending over multiple years and involving numerous offices. FAA has implemented new policies and procedures and an interim fixed asset system that will be converted to Delphi. When FAA fully implements Delphi, it will have an integrated asset and financial management system.

DOT is making plans for implementing the cost accounting functionality of the Delphi system, as it comes into full use throughout DOT.

DOT and FAA Financial Systems (IG/GAO/OMB)

As indicated by the IG, GAO, and OMB, converting all DOT activities to the Department's improved financial accounting system has presented a significant management challenge, requiring DOT to develop more comprehensive cost accounting systems, and most critically, to develop improved labor distribution systems, and record keeping and valuation procedures for property, plant, and equipment. This last requirement remains a significant challenge for FAA, whose direct provision of services to the public involves significant capital assets.

The foregoing discussion in its entirety covers these management challenges.

Financial Stewardship:

Performance goals:

Achieve 95 percent of schedule milestones for major Federally funded transportation infrastructure projects, or miss those milestones by less than 10 percent.

Achieve 95 percent of cost estimates for major Federally funded transportation infrastructure projects, or miss them by less than 10 percent.

Performance measures:

For major Federally funded infrastructure projects, percentage that meet schedule milestones established in project or contract agreements, or miss them by less than 10%.

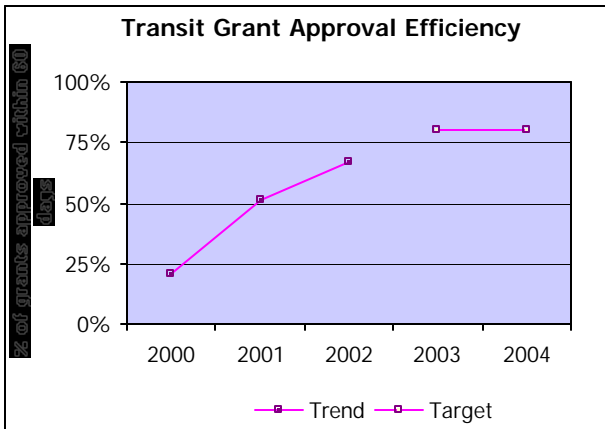
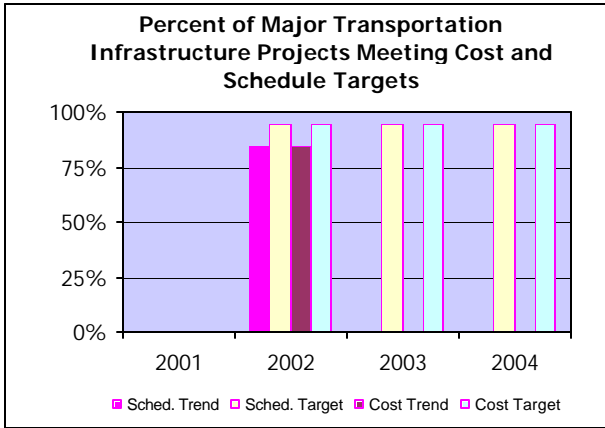
Target:					
1999	2000	2001	2002	2003	2004
New goal in 2002			95	95	95
Actual:					
N/A	N/A	N/A	85		

For major Federally-funded infrastructure projects, percentage that meet cost estimates established in project or contract agreements, or miss them by less than 10%.

Target:					
1999	2000	2001	2002	2003	2004
New goal in 2002			95	95	95
Actual:					
New goal in 2002			85		

Percentage of transit grants obligated within 60 days after submission of a completed application.

Target:					
1999	2000	2001	2002	2003	2004
New goal in 2002			60	80	80
Actual:					
N/A	21	51	67		



DOT operating administrations will also ensure that controls against fraud, waste and abuse of Federal infrastructure grant funds are strengthened. DOT will conduct outreach to grant recipients and will work with States to heighten awareness of ways to curtail fraudulent activities, and to maintain good accountability for grant expenditures. In its relationships with State and local highway agencies, FHWA and FTA will continue to stress fraud indicators and reporting procedures, and will work with the transportation and highway industry to include the IG as a resource for reporting allegations of fraud, waste, and abuse on Federal-aid infrastructure construction projects. FAA will continue its coordination with airport authorities for fraud awareness.

DOT requires its contracting officers to: (1) review all completed contracts on an annual basis to ensure that only those funds necessary to pay the contractor's final invoice are retained under the contract, (2) determine the need for an independent audit, (3) take full advantage of contract quick closeout procedures, (4) comply with DOT policy on monitoring of contract

closeouts, and (5) reduce the backlog of completed contracts that need to be closed out. Doing so will ensure that excess funds obligated to contracts will be timely de-obligated and redeployed to the government's advantage. FAA is implementing a number of performance goals designed to assure timely closeout of grants and expenditure of AIP grant funds. FAA has set a performance goal for the share of grants to be awarded based on project bids rather than estimates. In addition, the FAA has established a goal of closing out grants within four years after issuance and for closing out grants that have had no drawdown activity for 18 months.

Management Challenges – Management of Large Transportation Infrastructure Projects (IG/GAO/OMB)

Monitoring the cost, schedule, and performance of "mega projects" is critical to identify problems and initiate action to mitigate risks as soon as possible. The IG has noted that FHWA can obtain better value for each dollar invested in highway projects by refocusing its oversight efforts to ensure that major projects are delivered on-time and on budget; noting further that FHWA needs to move from an engineering culture to a more multi-disciplined workforce with the management, financial, environmental, program analysis, and engineering oversight skills necessary to review modern highway projects and programs.

The Department has improved its oversight of these projects by developing a comprehensive, standard oversight approach. Elements of this approach include vigorous enforcement of financial reporting requirements, designating accountable oversight managers for "mega projects", and taking timely action to protect Federal interests on projects designated as "at risk." FHWA and FTA have developed new guidance for financial reporting on infrastructure projects greater than \$1 billion. Critical analysis of these plans will ensure the Department is provided complete and consistent reporting of basic standardized financial data. Fully developed finance plans have been useful in identifying emerging cost and funding shortfalls in projects.

DOT has taken the following actions:

Establishing project oversight, by designating competent oversight managers who are personally accountable for proper Federal oversight; and establishing Integrated Product

Teams to assist the oversight manager. Professional certifications for Federal oversight managers will be funded, and grant recipients' project management staff will be required to have professional certifications.

Establishing a formal management and reporting framework, by creating a DOT Executive Council to review project oversight; fostering a collaborative relationship between Federal project oversight managers and grant recipients to facilitate communications; and requiring grant recipients to submit project management plans with agreed-upon oversight provisions and which incorporate "Earned Value Management". Additionally, projects with significant deviations from cost and schedule baselines will be designated as "at risk". Grant agreements will provide financial incentives for comprehensive project management systems, and will insure that a dedicated funding source exists for independent oversight reviews.

Insuring accountability by incorporating mega-project oversight into DOT Performance Plans, inviting external audits, and by providing proper incentives for excellent oversight performance by DOT employees. The Department will continue to improve institutional and personal accountability systems to ensure that large transportation infrastructure projects are adequately managed and periodically reviewed by a Departmental Council. To further strengthen oversight activities beginning in FY 2004, project management and financial plans will be developed annually for each mega project. The project management plan will provide information related to the costs, schedules, and quality of projects, as well as the Federal requirements of the project. The financial plan will provide a detailed estimate of the costs to complete the project. FHWA's FY 2004 budget request contains a request for 12 new FTE for major project oversight.

Citizen Centered Government

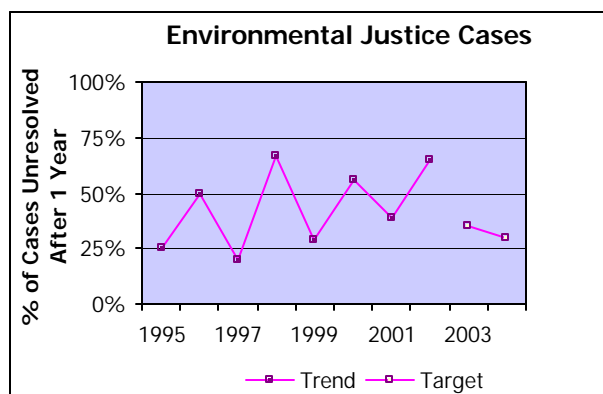
Performance goal:

Ensure that transportation projects are accomplished even-handedly, so that no community or group bears a disproportionate burden.

Performance measure:

Percent of Environmental Justice cases that remain unresolved after one year.

Target:					
1999	2000	2001	2002	2003	2004
N/A	N/A	N/A	40	35	35
Actual:					
29	56	39	65		



Executive Order 12898 directs each Federal agency to identify and address disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations. To achieve this objective, DOT operates under existing authorities, such as the National Environmental Policy Act (NEPA) and Title VI of the Civil Rights Act of 1964. DOT's Environmental Justice policy incorporates these considerations in all DOT programs, policies, and activities.

DOT works with stakeholders and officials at the State, regional, and local levels to ensure environmental justice concerns are integrated into the transportation planning process. To counter the factors that delay resolution, DOT employs two strategies: 1) emphasizing public involvement by minority and low income communities at a very early stage of transportation project planning; and 2) encouraging improved analysis by metropolitan planning organizations (MPOs) and State DOTs of

the potential equity impacts of transportation projects.

DOT will educate stakeholders, provide Title VI training, and ensure public participation in the concept stage -- before project designs are chosen -- by reaching out to potentially affected populations.

Other Federal Programs with Common Outcomes: DOT works with other agencies to share expertise and resolve jurisdictional overlaps and duplications, principally through an interagency working group, chaired by EPA.

E-Government:

In FY 2004, DOT plans to increase its use of knowledge management and information technologies to improve the services we provide to citizens, businesses and State and local governments by making best practices and innovations available to all DOT staff via DOTnet. DOT will also encourage customer service training for all front line employees and open lines of communication from the front line to program managers to improve our products and services. We recognize that our front line employees may provide vital information to build partnerships and other long-range relationships with customers as well as obtain feedback that can be used to help improve customer satisfaction.

DOT is an active participant in many of the President's government wide E-Government initiatives. Several DOT E-Government successes, such as the Dockets Management System, Transportation Virtual University, the self booking travel system and our executive correspondence system are components of these initiatives.

DOT will continue to do more along these lines:

? FHWA implemented an improved, paperless financial management information system in early 2002. The new system is a user-friendly, web-enabled system, including electronic signatures, so that State DOT's can report data with about 30 percent less internal reporting. More than two-thirds of States are now using this improved system, and users of the system's information and reports have increased by 25 percent. State users of the system total 50 percent of the user base.

- ? FAA is working on a rulemaking proposal that will allow electronic collection of data associated with their anti-drug program for personnel engaged in specified aviation activities. In addition, they are exploring the use of electronic signatures to further reduce the information collection burden for medical standards and certification.
- ? FAA processes approximately 770,000 airman certifications and/or rating applications annually. An automated form is currently being beta tested that will allow this information to be completed on-line.
- ? FAA processes approximately 475,000 pilot medical certification applications annually. A pilot project is under way to allow for electronic signature and submission of all documentation electronically (\$0.8 million).
- ? FAA is currently re-platforming the air carrier activity information system to permit electronic submittal of passenger/cargo information by airport owners and operators.
- ? FAA is currently testing E-grant initiative that will permit electronic submittal of grant applications and completed grant agreements.
- ? FMCSA customers can now obtain and pay for a variety of DOT goods and services on-line by using their credit card or electronic fund transfer from their bank account. This site was established to allow FMCSA customers to conduct business at their convenience. The site is available 24 hours a day.
- ? FMCSA customers can apply for motor carrier certificates of authority, request name and address changes for existing certificates of authority, request reinstatement of certificates of authority, or pay fines or filing fees for motor carrier insurance via the internet. 40% of motor carrier registration applications are done via the Internet.
- ? MARAD has made significant progress towards achieving full electronic procurement. Virtually all of MARAD's solicitations and contracts are now electronically issued to vendors through the Department of Interior's National Business Center web site. Vendors may submit their quotes on-line in response to requests for quotes. Further, DOT awarded 75 port security grants, totaling over \$92 million, which resulted from a completely

on-line and paperless solicitation, evaluation, and award process.

Information and Technology Management:

Key 2004 initiatives are:

- ? Oversee DOT's involvement in the President's Management Council government wide E-government initiatives, as requested by the managing partners.
- ? Develop and implement strategies and plans to ensure future IT workforce competency/capability requirements are met.
- ? Meet the Government Paperwork Elimination Act (GPEA) requirements to deliver information and transact business electronically by October 2003. Prepare and submit a report on the Department's compliance with GPEA to the Office of Management and Budget.
- ? Ensure DOT organizations implement IT program management initiatives that lead to improvements in the Department's Management Scorecard results.
- ? Ensure that DOT organizations maintain a basic standard of quality on all publicly disseminated information by reducing the number of legitimate correction requests from the FY 2003 baseline.

Management Challenge – DOT Information System Capital Planning (IG)

The IG has identified the need to carry through with DOT's enterprise-wide information system planning process as a major challenge. While DOT is responsible for one of the largest IT investments among civilian agencies, the departmental CIO has little oversight over these investments. Over 90 percent of IT investments are controlled by DOT Operating Administrations. In 2002, DOT issued new IT capital planning guidance that established a DOT Investment Review Board chaired by the Deputy Secretary with assistance from the CIO and other departmental senior officials to review major IT investment decisions.

Establishing the Investment Review Board is a step in the right direction to implement this cultural change in DOT. However, to ensure that the Board could influence major IT investment decisions, DOT needs to take other initiatives such

as obtaining explicit senior management support from the Operating Administrations, issuing clear guidance to identify investments for review, and developing a system to implement decisions issued by the Board.

DOT will ensure that DOT operating administrations make sound IT business investments supportive of strategic goals and electronic government by:

- ? overseeing and monitoring the Departmental IT Capital Planning and Investment Control (CPIC) process to maximize the value and assess and report the progress of IT acquisitions; and
- ? ensuring that proposed investments are consistent with and supported by the DOT Enterprise Architecture (EA).

Management Challenge – Computer Security (Department-wide and FAA) (IG/GAO/OMB)

The IG, GAO, and OMB have identified information system security as a critical government-wide management challenge, and in particular, have identified FAA air traffic control information systems as needing special attention to harden them against malicious or criminal attack.

The DOT Chief Information Officer (CIO) will lead intermodal efforts to ensure the continued security of our transportation information systems to make IT systems less vulnerable to attack and other service disruptions, including those caused by natural disasters. The primary goal of this program is to ensure that the appropriate people, processes, and technology are implemented to protect the confidentiality, integrity, and availability of all DOT IT assets as required by the Computer Security Act of 1987, the Federal Information Security Management Act, OMB Circular A-130, and National Institute of Standards and Technology guidance.

DOT has established an IT Security Program requiring that all DOT IT Systems be assessed to identify vulnerabilities; that vulnerabilities be evaluated and mitigated where justified; and, that systems be tested and certified as adequately protected.

The DOT CIO will continue to implement and operate the Network Intrusion Detection Systems

(IDS) architecture and plan for the rollout of the PKI and smart-card architecture (\$9.7 million). During FY 2004, the focus will be on certifying and accrediting mission-critical IT applications and systems. Expected results are as follows:

- ? completed standards for a DOT-wide PKI Infrastructure, Wireless, e-Authentication/e-Signature and smart card architecture to selected DOT organizations with interoperability with the Federal e-Authentication solution;
- ? certification and accreditation of at least 50% of DOT's IT assets;
- ? protection of the majority of DOT mission critical systems by IDS;
- ? periodic vulnerability scanning of all mission critical hosts to determine compliance with configuration management/minimum security baselines established in FY 2003;
- ? new IT investments evaluated in the departmental capital planning and investment control (CPIC) and enterprise architecture (EA) processes to ensure that IT Security issues are adequately addressed; and
- ? best practices and lessons learned inside and outside DOT evaluated and their use by appropriate DOT organizations mandated.

FAA has developed a concept of operations, approach, and major milestones to address information security issues and protect information assets. The FAA approach focuses on protecting the operational capability of its facilities, which requires an integrated approach to information systems, personnel, and physical security at each facility. Other efforts to protect both the air traffic system infrastructure and to ensure that new systems incorporate security include:

- ? Authorizing and certifying computer security systems;
- ? Training FAA personnel in security awareness and vulnerability assessments; and
- ? Improving intrusion detection capability.

Fostering Competition:

The Office of the Secretary, FAA, and BTS collect and publish information regarding the airline industry to help ensure a more effective and

competitive industry. Reports are regularly made public on airline service quality, flight delays and cancellations, passenger oversales and denied boardings, flight departures and passengers transported. DOT has the authority to prevent deceptive practices and unfair methods of competition in the airline industry, and this authority is exercised when appropriate to protect both consumers and competition. The airline industry itself is also responsible in the marketplace to treat its customers fairly.

FAA and OST are jointly implementing the AIR-21 requirement for certain medium and large hub airports to file competition plans. FAA and OST closely scrutinize each plan to assure that airports are in fact providing meaningful opportunities for competition. FAA has in many cases required airports to provide additional information and consider alternative business practices before approving their plans. Similarly, as plans are approved, FAA has required airports to provide information and consider new, pro-competitive business practices as part of submission of plan updates. FAA has also provided additional guidance to airports on methods to enhance the competitive environment.

In accordance with existing statutory authorities and as a member of the Air Transportation Stabilization Board established by the Air Transportation Safety and System Stabilization Act, DOT is acting to ensure that the Nation's airline industry remains viable, safe, and secure after the events of September 11, and to ensure that market forces, not terrorist acts, determine the long-term economic future of the industry.

Management Challenge - Airline Consolidation and Service to Communities (GAO)

As GAO has pointed out, the lack of effective competition in certain markets has contributed to high fares and poor service. Increased competition and better aviation service will entail a range of solutions by DOT, the Congress, and the private sector.

Government needs to be the watchdog of competition to ensure that competitive conditions continue to exist. In response to complaints by low-fare airlines that incumbent airlines were engaging in unfair competitive practices, DOT has conducted informal investigations. If such complaints appear to have a substantial basis in

fact, DOT has authority to bring actions against the offending parties.

The Department of Justice is responsible for determining whether mergers should be challenged on competitive grounds. DOT conducts its own analysis of merger transactions and provides its views on competitive issues to the Justice Department.

DOT has a significant backlog of allegations of unfair competition, hoarding airport capacity, oppressive computer reservation system practices and civil rights violations. Congress provided additional staff to address the complaint backlog and improve accessibility to air travel for individuals with disabilities, as mandated under the Air Carrier Access Act.

Management Challenge – Amtrak Financial Viability (IG/GAO)

The 1997 Amtrak Reform and Accountability Act mandated that Amtrak develop a plan to eliminate its need for Federal operating support by FY 2003. The DOT IG, in a January 2002 report on Amtrak's Financial Performance and Requirements, observed that: 1) Amtrak is no closer to operational self-sufficiency than it was in 1997; 2) There is insufficient time for Amtrak to become self-sufficient by the December 2, 2002 deadline; 3) Amtrak will likely need additional funding this year to continue operating; 4) Additional borrowing against assets—such as the 2001 mortgaging of Penn Station—would adversely affect the long-term prospects for the railroad; 5) Even if Amtrak becomes operationally self-sufficient this year, it will still need substantial Federal funds for capital improvements; and 6) Deferral of routine maintenance is starting to catch up with Amtrak. Similarly, GAO has discussed Amtrak's need for greater progress toward the goal of operating self-sufficiency.

Amtrak has not made sufficient progress toward its goal of operating self-sufficiency in 2002, and the Administration will work with Congress on a plan to restructure intercity rail passenger service.

Budget and Performance Integration

Results-oriented decision-making:

By clearly focusing on investments on programs that work, and by exerting effort to make well-designed programs achieve their intended results; DOT will increase the value it creates for the American people. The chief means to accomplish our intended results is to hold executives and managers accountable for those results. DOT has thoroughly revamped its performance plan and is taking steps to revitalize and refocus its system of individual and organizational accountability. Departmental leaders and senior executives will be included in this system, which will increase alignment of resource decision-making and programmatic effort with DOT's strategic purposes.

In the 2004 budget, DOT is presenting many of its detailed requests to Congress in formats that more closely align resource requests with expected performance benefits, thus better informing Congress of the basis for the request.

Performance Data and Performance Measurement

Performance measurement is dependent on the availability of useful data. Useful data will indicate level of performance and progress toward organizational goals. All data are imperfect in some fashion. Pursuing “perfect” data, however, may consume public resources without creating appreciable value. For this reason, there must be an approach that provides sufficient accuracy and timeliness but at a reasonable cost. This section of the Performance Plan/Performance Report provides information on how DOT reports on performance, verifies and validates data, assesses limitations of the data, and plans for improving DOT’s data.

Performance Data Completeness and Reliability

In an attempt to bring consistency and quality to its performance reporting, DOT has implemented some general rules regarding the data it uses and how it is evaluated.

Annual data – Whenever available, the data in this document are reported on a Federal Government fiscal year basis. However, there are instances where this is not possible so calendar year data are used instead. This often occurs when data are collected and reported to DOT by external sources and a calendar year reporting requirement is specified in the implementing regulation. The reporting timeframe (FY or CY) for each measure is included in the Data Details in Appendix I.

Annual results – If available, the results for the most recent year in the Report are listed as “Actual” in the Performance Goals & Results box for each performance measure. However, given the March deadline for submission of the Performance Report, quite often data have not been compiled and finalized for the entire year. When this occurs and an actual value is not available for the current year, either an estimate or projection is provided instead. In general, estimates are based on partial year data that are extrapolated to cover a full 12-month period. For example, if six months of data are available, they will be compared to prior years for the same six-month period to determine any variation from past levels. Historical trend information, supplemented by program expertise, will then be applied to estimate the remaining six months of performance. The result will be identified as a “preliminary estimate” in the Report. If partial year data are not available, then past trend information will be analyzed and supplemented by program knowledge to develop a projected value for the annual performance measure. The result

will be identified as a “projection” in the Report. As data are finalized, the projections and preliminary estimates will be replaced by actual results. Results may be amended as errors and omissions are identified in the data verification process, because updated information is provided by the reporting sources, or because of legal or other action that changes a previously reported value. For example, updated pipeline spill reports may change the status of a previously reported value used in performance measurement.

In measuring progress toward the majority of performance goals, DOT is moving to a system of monthly performance measurements. This will make it much easier to internally gauge periodic progress toward goals as the year progresses, and will enable more timely performance reporting after the years’ end.

Completeness of Data – As described above, actual data and “preliminary estimates” incorporate complete or partial data from 2001. Results listed as “projections” are not based on data from 2001, but on trend data from prior years.

Reliability of Measurement Data – Because performance results in a given year are influenced by multiple factors, some of which are beyond DOT’s control, and some of which are due to random chance, there may be considerable variation from year to year. (See discussion in Appendix I.) A better “picture” of performance may be gained by looking at results over time to determine if there is a trend. Therefore, graphs are provided for each measure showing trend lines back to 1990, or as many years as possible if data are not available back to 1990. Additionally, a table is included at the beginning of each strategic goal section giving the available data from 1995 through 2001 for measures with performance goals specified for 2001.

Verifying & Validating Performance Measures

Integral to performance measurement is a proper understanding of data limitations, cost-effectively addressing these limitations where necessary, and acknowledging those that remain when interpreting results. This section on verification and validation provides a DOT-wide overview of our plan for assessing the quality of the data DOT uses to measure its performance, and follows the GAO definitions for verification and validation:

“Verification is the assessment of data completeness, accuracy, consistency, timeliness, and related quality control practices.”

“Validation is the assessment of whether data are appropriate for the performance measure.”

Virtually all data have errors. In Appendix I we have provided the following information about the data used for each performance measure: source of the data, limitations of the data, observations about the quality of the data, work planned or ongoing to improve data quality, and any known biases.

Additionally, we have compiled Source and Accuracy Statements for each of the DOT data programs used in this report, which can be found at www.bts.gov/statpol/SAcompendium.html. The Source and Accuracy Statements give more detail on the methods used to collect the data, sources of variation and bias in the data, and methods used to verify and validate the data.

By validating data used in the DOT performance plan, we are ensuring that those data are reflective of the phenomena they purport to measure. The Office of the DOT Inspector General (OIG) plans to selectively verify and validate performance measurement data each year. When pertinent to the conduct of ongoing projects, OIG will also assess performance measures to determine their appropriateness for measuring progress toward stated goals. These assessments may lead to changes in the goals, improvements to or additions of data collection systems, or both.

Assessing and, where possible, eliminating sources of error in DOT data collection programs has always been an important task for data program managers. As a part of their ongoing work, managers of Departmental data programs use quality control techniques, such as

flowcharting the data collection process, to identify where errors can be introduced into the data collection system. Program managers also use computerized edit checks and range checks to minimize errors that may be introduced into the data of their respective programs. In addition, quality measurement techniques are employed to measure the effects of unanticipated errors. These include verification of data collection and coding, as well as coverage, response and non-response error studies to measure the extent of human error affecting the data. As sources of error are identified, steps are initiated to improve the data collection process.

The data used in measuring performance come from a wide variety of sources. Much of the data originates from sources outside the Department and, therefore, outside the direct control of the Department. The data often come from administrative records or from sample surveys. While DOT may not have a strong voice in improving the quality of outside data, the Department takes all available information about the limitations and known biases in outside data into account when using the data.

The myriad data sources make the task of assessing and, where possible, eliminating error a challenging one for DOT. Different data systems contain different types of errors. For example, data from administrative records systems may have missing or incorrect records, and data from sample surveys will contain sampling error.

Several measures (particularly in safety) require aggregation across transportation modes. This can be particularly problematic because of the use of different definitions in different transportation modes. Also, data from outside the Department may have unknown error properties.

To help the operating administrations address these issues, the Bureau of Transportation Statistics (BTS) is developing a statistical policy framework where the operating administrations will work together to identify and implement the current statistical “best practices” in all aspects of their data collection programs. This project is consistent with the data capacity discussions found in the DOT Strategic Plan.

BTS's statistical staff is consulting with the DOT operating administrations' data program managers to assist in data evaluation and validation, documenting data sources, and

determining the reliability of performance measurement estimates.

Departmental data systems managers use these data verification methods:

- ? Comparisons with previous data from the same source.
- ? Comparisons with another reliable source of the same type of data within DOT for the same time period.
- ? Comparisons with another reliable source of the same type of data within DOT for a previous time period.
- ? Comparisons with another reliable source of the same type of data outside DOT for the same time period.
- ? Comparisons with another reliable source of the same type of data outside DOT for a previous time period.

In addition to computerized edit checks and clerical review procedures to look for outliers, duplicate records, and data inconsistencies, data managers also verify data quality at each step of the data collection process using these procedures:

- ? Re-collecting/re-interviewing all (or a sample of) records and reconciling with the original collection. (This applies to census or sample survey data collections from administrative records, organizations, or individuals.)
- ? Conducting 100 percent (or a sample of) data re-coding and reconciliation to assess and correct coding errors.
- ? Conducting 100 percent (or a sample of) data re-entry and reconciliation to assess and correct data entry errors.

The American Travel Survey's re-interview program, in which a sample of households were re-contacted and differences reconciled, is an example of a verification system within a data collection program.

Data Limitations in Performance Measures

DOT Data Source Limitations – Timeliness is the most significant limitation for DOT performance measurement data. Some DOT data are not collected annually. For example, the National

Household Travel Survey and the Commodity Flow Survey each collect data every five years. Data that are collected each year (or more frequently) require time to analyze, confirm and report results. For example, Highway Performance Monitoring System vehicle-miles traveled (VMT) data require several months of post-collection processing, making final results unavailable for this performance report.

Other performance measurement data limitations can be found in the previously mentioned Source and Accuracy Statements for DOT data programs. These statements contain descriptions of data collection program design, estimates of sampling error (if applicable), and discussions of non-sampling errors. Non-sampling errors include under-coverage, item and unit non-response, interviewer and respondent response error, processing error, and errors made in data analysis.

As part of its mandate in the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), the Transportation Equity Act for the 21st Century (TEA-21), and its plans for a statistical policy framework in the Department, DOT is working on a program of research, technical assistance, and data quality enhancement to support the continued improvement of data programs in DOT. This will help data program managers throughout DOT improve data quality and better document known data limitations.

Many of DOT's internal data programs rely on State DOTs to collect reliable statistics within cost constraints. While we work closely with our State DOT partners, we do not have direct control over these data.

External Data Source Limitations – Timeliness is also a significant limitation for external or third-party data. Other limitations of external data are noted in the comments for each performance measure in Appendix I. In some cases, DOT has replaced external data, where little is known about the quality of the data, with internal data. For example, DOT has used estimates of person-miles traveled (PMT) from private organizations, absent any better estimate. The 1995 Nationwide Personal Transportation Survey and American Travel Survey give DOT data with known error properties that allow a better estimate of PMT.

Our Data Needs

The DOT Strategic Plan 2000 – 2005 identifies data needs for each of the Department's strategic goals. They include:

Safety – DOT is undertaking major efforts over the next several years to improve safety data. Safety has always been our primary strategic goal, and in 1999 DOT created a Safety Data Action Plan to better organize data improvement efforts. BTS will lead efforts to: 1) develop common criteria for reporting injuries and deaths; 2) develop common data on accident circumstances; 3) improve data quality; 4) develop better data on accident precursors; 5) expand the collection of near-miss data to all transportation modes; 6) develop a variety of common denominators for safety measures; 7) advance the timeliness of safety data; 8) link safety data with other data; 9) explore options for using technology in data collection; and 10) expand, improve and coordinate safety data analysis.

National Security – Existing performance data sources are generally good, but DOT will collect data to better understand the transportation system's vulnerability to intentional acts of disruption or destruction.

Mobility – All mobility outcomes present complex measurement issues. Accordingly, DOT will: 1) develop ways of measuring user transportation cost, time, and reliability with time-series data; 2) develop better approaches for measuring access; 3) develop straightforward measures of congestion and its costs; 4) produce more timely and comprehensive data on the condition and use of the transportation system; and 5) develop a more complete understanding of variables influencing travel behavior.

Economic Growth – DOT needs aggregate data for measuring the productivity, effectiveness and efficiency of the U.S. transportation system. We plan to collect, analyze and disseminate data and information that identify critical trends and issues relating to transportation's nexus to the U.S. economy. DOT will: 1) develop a means of measuring transportation cost, time, and reliability – at an aggregate level – with time-series data; 2) develop a comprehensive measure of the transportation capital stock; 3) improve our view of changes in the transportation workforce; 4)

develop better measures of productivity in the transportation sector, and other issues concerning use of Producer Price Indices; and 5) develop a better picture of transportation-related variables influencing U.S. competitiveness in the global economy.

Human and Natural Environment – DOT will: 1) develop comparable and complete data on transportation emissions, noise, hazardous materials releases, and wetlands impacts; 2) improve our understanding of collateral damage to the human natural environment; 3) create better leading indicators for potential environmental issues; and 4) develop a reliable method of measuring the environmental benefits of bicycling and walking.

Appendix I – Performance Measures (Detail)

Each table includes a description of a performance measure and associated data provided by the agencies in charge of the measure. The Scope statement gives an overview of the data collection strategy for the underlying data behind the performance measure. The Source statement identifies the databases used for the measure and their proprietary agencies. The Limitations statement describes some of the shortcomings of the data in quantifying the particular performance characteristics of interest. The Statistical Issues statement has comments, provided by the Bureau of Transportation Statistics (BTS) and the agency in charge of the measure, that discuss variability of the measure and other points. The Verification and Validation statement indicates steps taken by the proprietary agencies to address data quality issues.

DOT feels strongly that full compliance with the Government Performance and Results Act requires impartial reporting of the statistical uncertainty associated with numerical performance measures. A portion of this uncertainty is related to the methodology used to calculate the performance measure and the accuracy of the underlying data. For example, the use of samples introduces uncertainty because estimates are used in lieu of actual counts. Also, there may be errors in the data collected. However, there are many other sources of variation (e.g., nonsampling errors, climate effects, new technology) and they are often difficult to quantify. Nonetheless, a combination of past data and expert judgment can enable uncertainty statements that are order-of-magnitude correct for even the most difficult problems.

The error of a performance measure indicates the likely size of the chance variation in the reported number. It incorporates both the effects of measurement error, survey error, and so forth, as well as the variation that occurs naturally from year to year (i.e., even if there were no change in laws, infrastructure conditions, or human behavior, there would still be chance variation in an annual count of fatalities). DOT success in meeting GPRA goals must be viewed in the context of this background noise.

For further information about the source and accuracy (S&A) of these data, please refer to the BTS S&A compendium available at www.bts.gov/statpol/SACompendium.html.

Details on DOT Safety Measures

Highway fatality rate

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Measure:	Fatalities per 100 million vehicle-miles-traveled (VMT) (CY)
Scope:	<p>The number of fatalities is the total number of motor vehicle traffic fatalities which occur on public roadways within the 50 states and Washington, D.C.</p> <p>Vehicle Miles of Travel (VMT) represent the total number of vehicle miles traveled by motor vehicles on public roadways within the 50 states and Washington, D.C.</p>
Source:	<p>Motor vehicle traffic fatality data are obtained from NHTSA's Fatality Analysis Reporting System (FARS). To be included in FARS, a motor vehicle traffic crash must result in the death of a vehicle occupant or a non-motorist within 30 days of the crash. The FARS database is based on police crash reports and other state data. FARS includes fatalities on all roadways open to the public, using the National Highways System classification of roads. Pedestrian and bicycle fatalities that occur on public highways, but do not involve a motor vehicle, are not recorded in FARS. However, they constitute only a small number of fatalities.</p> <p>VMT data are derived from FHWA's Traffic Volume Trends (TVT); a monthly report based on hourly traffic count data in the Highway Performance Monitoring System (HPMS). Information is transmitted to NHTSA where it is reviewed for consistency and accuracy before being entered into the system. These data, collected at approximately 4,000 continuous traffic counting locations nationwide, are used to determine the percentage change in traffic for the current month from the same month of the previous year. The percentage change is applied to the nationwide travel for the same month of the previous year to obtain an estimate of nationwide travel for the current month. The data are recorded as monthly totals and cumulative yearly totals.</p>
Limitations:	<p>VMT data are subject to sampling errors, the magnitude of which depends on how well the locations of the continuous counting locations represent nationwide traffic rates. HPMS is also subject to estimating differences by States, even though FHWA works to minimize such differences and differing projections on growth, population, and economic conditions that impact driving behavior.</p>
Statistical Issues:	<p>The primary source of uncertainty in estimating fatality rates is the denominator. While the estimate of total fatalities used in the numerator is relatively accurate, the estimate of total vehicle miles in the denominator has far more variability.</p> <p>Estimates of the number of persons killed in motor vehicle traffic crashes during 2002 are preliminary and are based on incomplete data and statistical models. NHTSA's first official estimates for 2002, the Early Assessment, are being developed and will be completed in early April 2003. Differences between the official Early Assessment estimates and those in this report are to be expected.</p>
Verification & Validation:	<p>Fatality data from FARS are reviewed and analyzed by NHTSA's National Center for Statistics and Analysis. Quality control procedures are built into annual data collection at 6 and 9 months, and at year's end. A study was completed in 1993, looking at samples of FARS cases in 1989 through 1990 to assess the accuracy of data being reported. VMT data are reviewed by FHWA for consistency and reasonableness.</p>
Comment:	<p>This data program has been in use for many years and is generally accepted for describing safety on the Nation's highways. Adjusting raw highway fatalities and injuries by VMT provides a means of portraying the changes in highway fatalities on a constant exposure basis and facilitates year-to-year comparisons.</p>

Large truck-related fatalities

Measure:	Fatalities in crashes involving large trucks per million truck VMT. (CY)
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- Scope:** The measure includes all fatalities (e.g., drivers and occupants of passenger cars, motorcycles, large trucks, or pedestrians) associated with crashes involving trucks with a gross vehicle weight rating of 10,000 pounds or more. The numerator (fatalities) comes from NHTSA's Fatality Analysis Reporting System (FARS) data, a census of fatal traffic crashes within the 50 states, Puerto Rico, and Washington, D.C. The denominator is vehicle miles of large truck travel (VMT).
- Source:** NHTSA's Fatality Analysis Reporting System (FARS) provides fatality data. The VMT data are derived from the Federal Highway Administration's (FHWA) Highway Performance Monitoring System (HPMS).
- Limitations:** FARS data elements are modified from year to year to respond to emphasis areas, vehicle fleet changes, and other needs for improvement. Large truck VMT reported to FHWA by each state is based on a sample of road segments and is not a census. In addition, the methods used to calculate total VMT may vary from state to state. The methods used by the states to estimate the VMT contribution from rural and urban minor collectors are unknown.
- VMT data are subject to sampling errors, the magnitude of which depends on how well the locations of the continuous counting locations represent nationwide traffic rates. HPMS is also subject to estimating differences by States, even though FHWA works to minimize such differences and differing projections on growth, population, and economic conditions that impact driving behavior.
- Statistical Issues:** The fatality counts in FARS are generally quite accurate. The major sources of error are underreporting by some precincts and inconsistent use of the definition of a truck.
- Verification & Validation:** Fatality data are reviewed and analyzed by NHTSA's National Center for Statistics and Analysis. Quality control procedures are built into data collection and data processing. A study using samples of 1989-1990 FARS cases was completed in 1993 to assess the accuracy of data being reported. FHWA routinely works with state data providers to modify reported VMT values that do not appear reasonable before incorporating them into its final master file.
- Comment:** The FARS data have been around for many years and are generally accepted as a good source for describing fatal crashes on the Nation's highways.

Air carrier fatal accident rate

Measure:	Fatal aviation accidents (U.S. commercial air carriers) per 100,000 departures. (FY)
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- Scope:** This measure includes both scheduled and nonscheduled flights of large U.S. air carriers (14 CFR Part 121) and scheduled flights of commuter airlines (14 CFR Part 135). It excludes on-demand (i.e., air taxi) service and general aviation.
- Source:** Part 121 and Part 135 departure data is submitted to BTS under 14 CFR Parts 241 and 298, respectively. NTSB provides accident data.
- Limitations:** The fatal accident rate in these categories is small and could significantly fluctuate from year to year due to the occurrence or non-occurrence of a single accident.
- Statistical Issues:** The switch from calendar to fiscal year in 2001, combined with the use of departures rather than flight hours as the activity measure for the denominator, presents problems. To overcome reporting delays of 60 to 90 days, FAA must rely on historical data, partial internal data sources, and Official Airline Guide (OAG) scheduling information to project at least part of the fiscal year activity data. Due to the reporting procedures in place, it is unlikely that calculation of future fiscal year departure data will be markedly improved. Lacking complete historical data on a monthly basis and independent sources of verification increases the risk of error in the activity data.

Verification & Validation The FAA does comparison checking of the departure data collected by BTS. FAA compares its list of carriers to the DOT list to validate completeness of the reporting list and places the carriers in the appropriate category (i.e., Part 121 or Part 135). NTSB and FAA's Office of Accident Investigation meet regularly to validate the accident count.

Comment: The joint government/industry group working on improving the level of safety for U.S. commercial aviation has determined that the number of departures is a better denominator measure to use for determining accident rates. In a recent report on the Safer Skies effort the Government Accounting Office agreed and recommended that the FAA use departures.

General aviation fatal accidents

Measure:	Number of fatal general aviation accidents. (FY)
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Scope: The measure includes on-demand (non-scheduled FAR Part 135) and general aviation. General aviation comprises a diverse range of aviation activities. The range of general aviation aircraft includes single-seat homebuilt aircraft, helicopters, balloons, single and multiple engine land and seaplanes including highly sophisticated extended range turbojets.

Source: National Transportation Safety Board (NTSB).

Limitations: The use of the 1996-1998 timeframe for the baseline represents one of the safest periods in general aviation history in terms of a decline in fatal accidents. The number of general aviation accidents reported in any given year might change in subsequent years. There are many reasons for these changes to the historical data. Primary among them is that the accident had not been reported to the NTSB, or that it was misreported and the information corrected at a later date.

Statistical Issues: There is no major error in the accident counts. Random variation in air crashes results in a significant variation in the number of fatal accidents over time.

Verification & Validation: NTSB and FAA's Office of Accident Investigation meet regularly to validate the information on the number of accidents.

Comment: It would be preferable to use fatal accident rates rather than fatal accidents as the performance measure. However, general aviation flight hours are based on an annual survey conducted by the FAA. Response to the survey is voluntary. The accuracy of the flight hours collected is suspect and there is no readily available way to verify or validate the data. For this reason, the General Aviation community is unwilling to use a rate measure until the validity and reliability of the survey data can be assured.

Train Accident and Incident rate

Measure:	Train accidents and incidents per million train-miles. (FY)
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Scope: Train accidents include all reportable occurrences above a monetary damage threshold. Train incidents include all collisions with on-track equipment and highway users at public and private grade crossings.

Source: *Railroad Safety Statistics – Annual Report*. Statistical data, tables, and charts depict the causes and nature of rail accidents. Data on accidents, collisions, and train miles are reported to FRA by railroad companies.

Limitations: This scope is consistent with the regulatory authority of the agency, but not consistent with other modes of transportation for comparative purposes.

Statistical Issues: The reported estimates are based upon partially reported data from 2002.

Verification & Validation: Railroads are required by law to submit monthly accident/incident reports to FRA. They are also required to update any inaccurate or incomplete information. FRA conducts routine data audits (records inspections) to verify the adequacy of railroad reporting and record keeping requirements.

Comment: None.

Transit fatality rate

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Measure:	Transit fatalities per 100 million passenger miles traveled. (CY)
Scope:	The data include both riders and employees. A fatality is defined as a transit-caused death from collision, personal casualty, fire, derailment, or bus going off the road.
Source:	FTA's Safety Management Information System (SAMIS), with data reported by transit operators to the National Transit Database (NTB).
Limitations:	Because of the scope of the reporting criteria, some fatalities that are counted are not associated directly with transit operation. This scope is consistent with the regulatory authority of the agency, but not consistent with other modes of transportation for comparative purposes.
Statistical Issues:	The fatality counts in SAMIS are generally quite accurate---the major source of error in the measure comes from uncertainty in the passenger miles traveled
Verification & Validation:	An independent auditor and the transit agency's CEO certify that data reported to the NTD are accurate. Using data from the NTD to compile the SAMIS data, the Transportation Systems Center compares current safety statistics with previous years, identifies questionable trends, and seeks explanation from operators.
Comment:	None.

Pipeline failures

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Measure:	Number of incident for natural gas and hazardous liquid pipelines. (FY)
Scope:	This measure is based on reported hazardous liquid and natural gas accidents that meet federal reporting criteria as defined in 49 CFR 191.1 and 191.15 for natural gas transmission pipeline incidents and in 49 CFR 195.50 for hazardous liquid pipelines.
Source:	RSPA's Natural Gas Distribution and Transmission Incident Reports and Hazardous Liquid Pipeline Accident Reports. Failure reports are filed within 30 days of the occurrence of reportable incidents. Complete calendar year data are available by March 1 of the following year. Data may change as operators file supplemental reports.
Limitations:	RSPA lacks adequate infrastructure information on pipeline operations and maintenance needed to fully characterize problems when they occur and lacks information on precursor conditions that contribute to incidents. RSPA seeks further improvements in data collection in 2002 to address these concerns.

Statistical Issues: Because of delays in mail delivery associated with 9/11/2001 terrorist activities, statistical close-out of the 2001 tally requires an extrapolation of number of reports anticipated for the last quarter of 2001.

Verification & Validation: RSPA reviews/verifies data provided for accuracy and requests supplemental reports where shortcomings are indicated.

Comment: None.

Hazardous Materials Incidents

Measure: Number of serious hazardous materials incidents in transportation. (CY)

Scope: Serious hazardous materials incidents are those resulting in a fatality or major injury, the evacuation of 25 or more employees or responders or any number of the general public, the closure of a major transportation artery, the alteration of an aircraft flight plan or operation caused by the release of a hazardous material or the exposure of hazardous material to fire; plus any release of radioactive materials from Type B packaging, Risk Group 3 or 4 infectious substance, over 11.9 gallons or 88.2 pounds of a severe marine pollutant, or a bulk quantity (over 119 gallons or 882 pounds) of a hazardous material. This measure tracks only transportation related releases of hazardous materials that are in commerce. Volume of spills is not tracked, as this does not necessarily indicate risk.

Source: Hazardous Materials carriers report data to RSPA for entry into the Hazardous Materials Information System (HMIS).

Limitations: Data for all hazardous materials incidents is suspected of being incomplete due to under-reporting for minor incidents. Most reportable serious incidents are in the system, making this a more consistent measure for program management. However, it does not reflect all incidents. RSPA has issued an NPRM to revise the reporting system.

Statistical Issues: Although the number of incidents is likely to be underreported, such recording error is probably small in comparison to the annual variation due to chance.

Verification & Validation: RSPA verifies the data by periodic follow-up reviews of data entry by the manager of the Hazardous Materials Information System, and verification audits of the data entry process. RSPA crosswalks HMIS reports against the National Response Center log of accidents. RSPA is improving compliance with reporting requirements by correlating HMIS reports with FRA's Accident Report data and the HMIS telephonic data. RSPA is piloting and plans to incorporate procedures to correlate HMIS reports with FHWA's SafetyNet Accident File data.

Comment: None.

Details on DOT Measures of Mobility and Economic Growth

Highway infrastructure condition

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Measure:	Percentage of travel on the National Highway System (NHS) meeting pavement performance standards for acceptable ride. (CY)
Scope:	<p>Data include vehicle miles traveled on the HPMS reported NHS sections and pavement ride quality data reported using the International Roughness Index (IRI).</p> <p>IRI is a quantitative measure of the accumulated response of a "quarter-car" vehicle suspension experienced while traveling over a pavement.</p> <p>Vehicle Miles of Travel (VMT) represent the total number of vehicle miles traveled by motor vehicles on public roadways within the 50 states and Washington, D.C.</p>
Source:	<p>Data collected by the State Highway Agencies and reported to FHWA for the Highway Performance Monitoring System (HPMS). They are obtained from calibrated measurement devices that meet industry set standards. Measurement procedures are included in the HPMS Field Manual.</p> <p>VMT is a calculated product of the annual average daily traffic (AADT) and the centerline length of the section for which the AADT is reported. In the HPMS, travel is accumulated for each universe section to develop appropriate totals for the higher functional systems. AADT is required for each section of Interstate, NHS, and other principal arterial; as a result, travel is computed for these functional systems on a 100-percent basis. For minor arterial, rural major collector and urban collector systems, travel is calculated from samples using the AADT, centerline length reported for each sample section and the HPMS sample expansion factor for each section. Travel for the NHS on all functional systems is computed from the universe AADT data.</p> <p>For the most part, travel for the rural minor collector and rural/urban local functional systems is calculated by the States using their own procedures and is provided in HPMS on a summary basis. Some States use supplemental traffic counts outside of the HPMS procedures; others employ estimating techniques, such as fuel use, to determine travel on these systems. In general, these methods are used in both rural and urban areas, including the donut areas of nonattainment areas to meet Clean Air Act requirements.</p>
Limitations:	<p>IRI data for the approved NHS exist from 1995 onward. Past data (1993 and 1994) contain some variation as this data was on the proposed, rather than the existing NHS. No NHS IRI data are available prior to 1993. The HPMS requires States to report IRI data every two years; however, following the requirements is not mandated, but voluntary.</p> <p>VMT estimates reported via the HPMS should be of reasonable quality particularly for the higher order functional systems. AADT and travel data are edited by the HPMS software for unusual values and for unusual changes to previously reported values. FHWA routinely works with State data providers to modify reported AADT values that do not appear to be reasonable before final use. Although AADT is required to be updated annually in HPMS, counts are only required to be updated on a 3-year cycle. For any reporting year, AADT for uncounted sections is usually derived by factoring the latest year's count for those sections.</p>
Statistical Issues:	<p>The major source of error in the percentages is sampling error from selecting the segments of highway tested for smoothness.</p> <p>VMT data are subject to sampling errors, whose magnitude depends on how well the locations of the continuous counting locations represent nationwide traffic rates. HPMS is also subject to estimating differences in the states, even though FHWA works to minimize such differences and differing projections on growth, population, and economic conditions which impact driving behavior.</p>

Verification & Validation: FHWA validates the data based on consistency reviews. States that follow the HPMS sampling instructions in developing traffic counting programs (Appendix F in the HPMS Field Manual) and the practices advocated in the Traffic Monitoring Guide have adequate counting and classification tools to prepare quality AADT and travel estimates for HPMS. The consistency of the sampling and counting procedures should also provide comparable State-to-State traffic data.

Comment: None.

Highway congestion

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Measure:	Of total annual urban-area travel, percentage that occurs in congested conditions (CY)
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Scope: Data obtained from approximately 400 urban areas. The data reflects the travel conditions of the freeway and principal arterial street networks. Definitions:

1. Urban area: Developed area with a density of greater than 1,000 persons per square mile.
2. Congested travel: Traveling below the posted speed limit(s).

Source: Data collected and provided by the State Departments of Transportation from existing State or local government databases, including those of Metropolitan Planning Organizations. The Federal Highways Administration's Highway Performance Monitoring System serves as the repository of the data. The Texas Transportation Institute utilizes HPMS data to derive the above measures.

Limitations: Data is available through 2001. The proportion of congested travel figures used in calculating the measures are computed rather than measured values. The computed values may understate congestion, as delay from incidents is not calculated. Performance evaluation is process-oriented. Transportation programs that help combat highway congestion possess outcome-oriented, objective methods within the specific program areas; however, the causal relationship between the programs and overall highway congestion is inconclusive.

Statistical Issues: Methodology used to calculate performance measures has been developed by the Texas Transportation Institute and used in their annual Mobility Study. A detailed description of TTI's methodology is available at <http://mobility.tamu.edu/>.

Verification & Validation: State-reported HPMS data are reviewed by FHWA for completeness, consistency, and adherence to reporting guidelines. When necessary, and with close State cooperation, data may be adjusted to improve completeness, consistency, and uniformity.

Comment: The availability of Highway Performance Monitoring System (HPMS) data is approximately 9 months from the base year, e.g., 2002 actual numbers will not be available from HPMS until October 2003. To accurately and reliably manage the transportation system, real-time (minute-by-minute) measurement of system speeds is needed and can only be achieved with automated instrumentation.

Transit ridership

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Measure:	Average percent change in transit passenger-miles traveled per transit market, adjusted for employment . (FY)
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Scope: Includes revenue-passenger miles on publicly sponsored bus, transit rail, commuter rail, ferry, and vanpools in urbanized areas. Also includes employment statistics from the U.S. Department of Labor, to weight the percent increase in revenue passenger miles per transit market, to normalize the data for relative levels of employment in urban areas.

Source:	National Transit Database (NTD), with information gathered from transit operators. Bureau of Labor Statistics employment data.
Limitations:	Data is self-reported by transit agencies using an FTA-approved sampling methodology. Although most data is reported in the National Transit Database each year, sample cycles may be annual, every three years, or every five years depending on the size of the urban area and the number of vehicles operated. Ridership is an outcome indicator that reflects a variety of factors, including the capital investment of the Federal Government. Ridership is also influenced by operational decisions of transit authorities, and the availability and cost of alternative modes of transportation.
Statistical Issues:	The sources of uncertainty include sampling error, annual chance variation, and auditing issues.
Verification & Validation:	An independent auditor and the transit agency's CEO certify that data reported to the NTD are accurate. FTA also compares data to key indicators such as vehicle revenue miles, number of buses in service during peak periods, etc.
Comment:	None.

Aviation Delay

Measure:	1. Percentage of on-time flights. (FY)
Scope:	The time of arrival of completed, scheduled passenger flights to and from the 32 DOT large-hub airports is compared to their scheduled time of arrival. The sum of flights arriving on or before 15 minutes of scheduled arrival time is divided by the total number of completed flights.
Source:	Bureau of Transportation Statistics on-time flight database as reported by major air carriers under 14 CFR Part 234, <i>Airline Service Quality Performance Reports</i> ,
Statistical Issues:	There is little major error in the count of completed flights or the count of flights that arrive on-time.
Limitations:	None.
Verification & Validation:	BTS conducts various edit checks and data quality tests to ensure the airline-reported data is accurate.
Comment:	None.

Maritime navigation

Measure:	Percentage of days in the shipping season that the U.S. sectors of the St. Lawrence Seaway locks are available, including the two U.S. Seaway locks in Massena, N.Y. (CY)
Scope:	The availability and reliability of the U.S. sectors of the St. Lawrence Seaway, including the two U.S. Seaway locks in Massena, N.Y., are critical to continuous commercial shipping during the navigation season (late March to late December). System downtime due to any condition (weather, vessel incidents, malfunctioning equipment) causes delays to shipping, affecting international trade to and from the Great Lakes region of North America. Downtime is measured in minutes/hours of delay for weather (visibility, fog, snow, ice); vessel incidents (human error, electrical and/or mechanical failure); water level and rate of flow regulation; and lock equipment malfunction.
Source:	SLSDC gathers the data from internal Lock Operations records.

Limitations: As the agency responsible for the operation and maintenance of the U.S. portion of the St. Lawrence Seaway, SLSDC's lock operations unit gathers primary data for all vessel transits through the U.S. Seaway sectors and locks, including any downtime in operations. Data is collected on site, at the U.S. locks, as vessels are transiting or as operations are suspended. This information measuring the System's reliability is compiled and delivered to SLSDC senior staff each month. In addition, SLSDC compiles annual System availability data for comparison purposes. Since SLSDC gathers data directly from observation, there are no limitations.

Statistical Issues: None.

Verification & Validation: SLSDC verifies and validates the accuracy of the data through review of 24-hour vessel traffic control computer records, radio communication between the two Seaway entities and vessel operators; and video and audiotapes of vessel incidents.

Comment: SLSDC influences the measure primarily through capital planning, and consistent facilities maintenance and investment.

Transportation accessibility

Measure:	<ol style="list-style-type: none"> 1. Percentage of bus fleets that are Americans with Disabilities Act (ADA) compliant. (CY) 2. Percentage of key rail stations that are ADA compliant. (CY)
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Scope: Accessibility for bus fleet means that vehicles are lift or wheel chair ramp equipped. Accessibility for key rail facilities is determined by standards for ADA compliance.

Source: Data on bus accessibility is collected in the National Transit Database (NTD), with information gathered from transit operators. Data on rail accessibility is reported to FTA by the transit authorities.

Limitations: Measure does not capture ADA compliance (or transportation accessibility) for modes other than transit.

Statistical Issues: None.

Verification & Validation: For bus accessibility, an independent auditor and the transit agency's CEO certify that data reported to the NTD are accurate. Data are also compared with fleet data reported in previous years, and crosschecked with other related operating/financial data in the report. Fleet inventory is reviewed as a part of FTA's Triennial Review, and a visual inspection is made at that time. FTA's Office of Civil Rights conducts oversight reviews in order to verify the information on key rail station accessibility which has been self-reported by the transit authorities.

Comment: FTA will primarily influence the goal through Federal transit infrastructure investment, which speeds the rate at which transit operators can transition to ADA-compliant facilities and equipment.

Access to jobs

Measure:	Number of employment sites that are made accessible by Job Access and Reverse Commute transportation services. (FY)
Scope:	This measure assesses one part of the Job Access and Reverse Commute program – the number of employment sites made accessible that were not previously accessible. An employment site is considered accessible if located within 1/4 mile of services provided by the grantee. Employment sites must offer jobs that require a high school diploma or less. Services that make an employment site accessible may include, but are not limited to, carpools, vanpools, and demand-responsive services as well as traditional bus and rail public transit. The measure cannot account for those Job Access and Reverse Commute activities that encourage riders to use already existing sources of public transit.
Source:	Data are provided to FTA by grantees of the Job Access and Reverse Commute program in their quarterly progress reports.
Limitations:	This measure includes the “goal” of the commute and the job, but it does not include the “starting line” of the commute, the rider’s home. Although jobs may be made more accessible to transportation services, these services may not provide access to potential workers’ communities. This measure also cannot account for improved accessibility due to lower fares or shorter commute times – it only addresses the gap in service delivery. FTA requires a greater level of precision from larger, urban grantees than rural grantees that may have fewer resources at their disposal.
Statistical Issues:	FTA estimates performance based on usable information reported by grantees, but FTA has had difficulty in getting complete information from its grantees. Currently FTA has received usable information from approximately 40% of its grantees.
Verification & Validation:	FTA will use an oversight contractor to verify reported information on a sample basis.
Comment:	None.

International air service

Measure:	Number of passengers (in millions) in international markets with open skies aviation agreements. (FY)
Scope:	These data are collected by DOT for all flight segments to/from a U.S. point. The data for this measure include all passengers on U.S. and foreign carrier flights to and from 47 “open-skies” countries and Canada. This indicator reflects (barring significant, unrelated macroeconomic and political influences) the extent to which the competitive environment promoted by DOT increases travel opportunities.
Source:	U.S. air carriers file domestic and foreign data in the T-100 system. Foreign carrier data are from the T-100F database. Foreign air carriers file data for all nonstop flight segments involving a U.S. point.
Limitations:	These data are considered a reliable measure of airline passenger traffic between the U.S. and foreign nations. The annual increase in air traffic, however, is affected by economic strength as well as market liberalization in bilateral aviation trade agreements. Furthermore, only part of the growth rate in open skies markets can be attributed to new traffic – some of the increase may reflect diversion of traffic from less competitive routes with higher taxes and/or inferior service options.
Statistical Issues:	Like other counts of aviation-related activities, there are no major sources of systematic error in these data that have been quantified. However, random variation in the number and distribution of airline passengers, as well as the changes in the number of “open-skies” agreements, results in variation in the measure over time.

Verification & Validation: Airlines are required to certify that these data are accurate. Also, these data are a 100% enumeration of traffic and capacity and can be verified for reasonableness against other databases, such as flight schedules.

Comment: U.S. policy has favored the linking of networks. Networks allow improved service and marketing in many thousands of small city-pair markets. All of this traffic flows over flights captured by the T-100 and T-100F reports for international flights.

Details on DOT Measures of Human & Natural Environment

Wetland protection and recovery

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Measure:	On a program-wide basis, acres of wetlands replaced for every acre affected by Federal-aid Highway projects (where impacts are unavoidable). (FY)
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Scope: Measure includes wetlands associated with all Federal-aid highway projects each fiscal year. To be included, wetland replacement (or investment in a wetland bank) must have begun.

Source: State DOTs input Federal-aid related wetland degradation and replacement data into either locally developed wetland mitigation databases or the FHWA Wetlands Management Database. FHWA compiles the final data.

Limitations: Data only exists on Federal-aid related wetland replacement. Also, uniformity of the data is not guaranteed, as it is subject to interpretation by the reporting State DOTs. In particular, there is no uniform understanding of what should be reported as mitigation acreage. The FHWA has provided guidance on mitigation activities to report and will soon issue the Wetlands Management Database that should reduce the current variations in data received from the States. Data on wetland replacement is available for the past five fiscal years (FY 1996 - FY 2000).

Statistical Issues: The non-uniformity of the data is problematic. Definitional ambiguity also makes formal statements of statistical uncertainty problematic.

Verification & Validation: Data are gathered from established mitigation amounts required by section 404 (Clean Water Act) permits that states must acquire for their projects. In addition, FHWA provides guidance to help states consistently report mitigation data. This process will be further improved through a standard mitigation database under development for the states. At present, there is no external audit of state data.

Comment: All Federal agencies (including FHWA and other modes) must comply with National Environmental Policy Act (NEPA) and the Clean Water Act (specifically section 404(b)(1) of the CWA) regarding disruption of wetlands. These laws require agencies to identify project alternatives that would avoid or minimize impacts to wetlands as a first consideration. These alternatives are subjected to analysis under both NEPA and the Clean Water Act. Under the law, these alternatives must be chosen unless the project sponsors clearly demonstrate that they are not viable because they do not meet the project purpose and need, or will lead to other more significant environmental impacts. If, in compliance with the law, wetland disruption is unavoidable, FHWA then works to achieve this goal of wetland replacement.

DOT facility cleanup

Measure:	Percentage of DOT facilities categorized as No Further Remedial Action Planned (NFRAP) under the Superfund Amendments and Reauthorization Act (SARA). (FY)
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Scope: EPA maintains a Federal Facility Hazardous Waste docket (docket), which contains information regarding Federal facilities that manage hazardous wastes or from which hazardous substances have been or may be released. DOT facilities listed on the docket are discussed in the Annual SARA report sent to Congress each year. EPA regional offices make the determination to change facility status to NFRAPs on the docket.

Source: Annual SARA Report to Congress.

Limitations: The number of DOT facilities listed on the docket can and has fluctuated over the years. Several of the DOT facilities listed have more than one site requiring cleanup and a facility is not removed from the list until all of the sites have no further remedial action planned. Some facilities are listed erroneously and it may take several years to remove them from the docket. NFRAP decisions may be reversed by EPA if future information reveals that additional remedial actions are warranted.

Statistical Issues: None

Verification & Validation: The data used in measuring this performance is based on restoration activities at field locations for FAA, FHWA, and FRA. These field sites report their activities to their respective headquarters management who verifies the data by periodic follow-up reviews. The data is then reported yearly to the Office of the Secretary, who crosschecks it against data received from EPA and the states.

Comment: The primary criterion for NFRAP is a determination that the facility does not pose a significant threat to the public health or environment. NFRAP decisions may be reversed if future information reveals that additional remedial actions are warranted. The Operating Administrations' activities are controlled, to a degree, by interaction and decisions made by EPA Regional personnel.

Verification & Validation: Vessels removed from the NDRF sites are tracked by MARAD. MARAD has oversight authority for the vessels that it has contracted to be scrapped and continually monitors the operation of the contract holders to make sure that the ships are scrapped in a safe and environmentally sound manner. Additionally, the Environmental Protection Agency and State and local environmental agencies are made aware of ships being scrapped or recycled, and they also monitor progress. MARAD requires written certification from respective entities that all recycled activities are completed in accordance with Federal, State and local laws.

Comment: None

Mobile Source Emissions

Measure:	12 month moving average number of area transportation emissions conformity lapses. (FY)
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Scope: The transportation conformity process is intended to ensure that transportation plans, programs, and projects will not create new violations of the National Ambient Air Quality Standards (NAAQS), increase the frequency or severity of existing NAAQS violations, or delay the attainment of the NAAQS in designated non-attainment (or maintenance) areas. The publication, [Transportation Conformity: A Basic Guide for State and Local Officials](#) contains the basic provisions of the conformity process.

- Source: FHWA and FTA jointly make conformity determinations within air quality non-attainment and maintenance areas to ensure that Federal actions conform to the purpose of State Implementation Plans (SIPs). With DOT concurrence, the EPA has issued regulations pertaining to the criteria and procedures for transportation conformity, which were revised based on stakeholder comment.
- Limitations: Conformity determinations are required by law to be updated once every three years. One reason for an area to be in a conformity lapse is due to the fact that it missed the deadlines for making a conformity determination on the transportation plan and program. Under this scenario, the conformity lapse is not a result of the emissions problem in that area.
- In addition, certain State Implementation Plan (SIP)-related deficiency findings by EPA (such as a disapproval of a submitted SIP without a protective finding) may also put an area in a conformity lapse. This may take a long time before the SIP-related issue(s) are addressed through the complex and time-consuming SIP revision process. In this situation, FHWA/FTA will have little control over the duration of the conformity lapse.
- Statistical Issues: None.
- Verification & Validation: The MPO and U.S. DOT (FHWA/FTA) have a responsibility to ensure that transportation plans and programs within metropolitan boundaries conform to the SIP. In metropolitan areas, the governing board of each MPO must formally make a conformity determination on its transportation plan/TIP prior to submitting them to the U.S. DOT (FHWA/FTA) for review and approval. Conformity determinations for projects outside of these boundaries are the responsibility of the U.S. DOT (FHWA/FTA) and the project sponsor, which usually is the State DOT. In addition, the National Memorandum of Understanding issued on April 19, 2001, provides the EPA and DOT with a framework for coordinating and working through issues in the conformity and SIP processes. Specifically, the MOU's provisions ensure that:
1. EPA and DOT consult on conformity determinations before DOT's approval process;
 2. the conformity rule's provisions are appropriately applied with regard to conformity determinations; and
 3. adequate interagency consultation persists through the planning and conformity processes to identify and resolve issues prior to a conformity lapse or freeze.
- Comment: If conformity cannot be determined within certain time frames after amending the SIP, or if three years has passed since the last conformity determination, a conformity lapse is deemed to exist and no new non-exempt projects may advance until a new determination for the plan and TIP can be made. This affects transit as well as highway projects. During a conformity lapse, FHWA and FTA can only make approvals or grants for: projects that are exempt from the conformity process (pursuant to '93.126 and '93.127 of the conformity rule) such as safety projects, and transportation control measures (TCMs) that are included in approved SIP. Only those project phases that have received approval of the project agreement, and transit projects that have received a full funding grant agreement (FFGA), or equivalent approvals, prior to the conformity lapse may proceed during a conformity lapse.

Pipeline Hazmat spills

Measure:	Tons of hazardous liquid materials spilled per million ton-miles shipped by pipelines. (CY)
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Scope: Hazardous liquid pipeline incidents are those that result in a fatality or injury resulting in hospital treatment or hospitalization, property damage equal to or greater than \$50,000, or more than 50 barrels spilled. (A rulemaking proposes to lower the reporting threshold for spill amount from 50 barrels to five gallons.) This measure tracks only releases from hazardous liquid pipelines to the environment. Natural gas pipeline releases vaporize into the atmosphere and do not have long-term significant impact on the environment, and thus are not included in this measure.

Source:	Pipeline operators report to RSPA on form 7000-1, Hazardous Liquid Accident Report. RSPA records the data in RSPA's Hazardous Materials Information System.
Limitations:	Because of the magnitude and frequency of fluctuations in the historical data for this measure, a short-term goal will be of limited use in tracking program performance. RSPA does not collect volume shipped data but uses the Association of Oil Pipelines annual Fact Sheet as source for this part of the measure.
Statistical Issues:	These spill incidents are rare and probably not independent events. The performance measure is a ratio, so uncertainty in the denominator can have a large effect on the overall uncertainty.
Verification & Validation:	RSPA reviews the data for accuracy. Supplemental reports are requested where obvious reporting shortcomings are indicated. Additionally, the ASME B31.4 liquid pipeline data review subcommittee performs an annual examination of the hazardous liquid incident reports. Known problems with under-reporting property damages and spill quantities are being addressed by a rulemaking to revise accident reporting requirements to implement a new "open and closed" status to insure that operators continue to file supplemental reports until the spill consequence is fully reported. A new industry data improvement effort piloted in 1999 will provide better precursor data and more extensive data about impacts to the environment of hazardous liquid pipeline spills. The American Petroleum Institute is housing the voluntary data repository, which will collect information on spills down to five gallons (down to one gallon in water) for all pipeline spills, including those currently not jurisdictional to RSPA.
Comment:	The data for this measure fluctuate year to year. RSPA is studying the spill data to determine the nature of this fluctuation and improve this measure.

Aircraft noise exposure

Measure:	Number of people in the U.S. (in thousands) who are exposed to significant noise levels (65 decibels or more). (FY)
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Scope:	Residential population exposed to aircraft noise above Day-Night Sound Level of 65 decibels around U.S. airports with the greatest number of commercial jet take-offs and landings.
Source:	A statistical modeling technique (the MAGENTA model) is applied using U.S. population data from the Department of Commerce, locally developed traffic distribution (route and runway utilization), and aircraft distributions developed using the Official Airline Guide and current aircraft registration databases. The local traffic utilization data is available for the busiest U.S. airports in the form of studies developed for the FAA's Integrated Noise Model (INM). For smaller airports, a generic statistical procedure was employed.
Limitations:	No actual count is made of the number of people exposed to aircraft noise. No military or general aviation aircraft are included in the FAA's model. Aircraft type and event level are current. However, the majority of the databases used to establish route and runway utilization were developed from 1990 to 1997, with many of them now over seven years old. Changes in airport layout including expansions may not be reflected. The benefits of federally funded mitigation, such as sound insulation or buyout, are not accounted at present. Future development of the methodology will attempt to quantify the gains (reduction in people exposed) due to these actions.
Statistical Issues:	This measure is derived from model estimates that are subject to errors in model specification. The estimates of population data will be revised once the new U.S. Census data for 2000 is released and the model software is updated accordingly.
Verification & Validation:	The Integrated Noise Model has been validated with actual acoustic measurements at both airports and other environments such as areas under aircraft at altitude. External forecasts data are from primary sources. The MAGENTA population exposure methodology has been thoroughly reviewed by an ICAO task group and was validated for several airport specific cases.

Comment: FY 2000 was the first year measuring using the MAGENTA model.

Details on DOT Measures of Homeland & National Security

Strategic Mobility

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Measure:	Percentage of DOD-required shipping capacity complete with crews available within mobilization timelines (FY)
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Scope: As of March 2002, this measure is based on the material availability of 76 ships in the Maritime Administration's Ready Reserve Force (RRF) and 115 ships enrolled in the Voluntary Intermodal Sealift Agreement (VISA) program, which includes 47 ships enrolled in the Maritime Security Program (MSP). A second factor pertinent to this measure is the availability of sufficient licensed and unlicensed mariners to operate the available ships. The performance measure represents the number of available ships (compared to the total number of ships in the RRF and VISA) that can be fully crewed within the established readiness timelines. While other Government (primarily Military Sealift Command) owned or controlled sealift type vessels are not included in this measure, they draw their crews from the same pool of mariners. Accordingly, the availability measure is adjusted to reflect expected requirements during the early stages of a military crisis.

Source: Material availability of ships: MARAD records (and reports to DOD) on the readiness/availability status of each RRF ship each month. Typical reasons why a ship is not materially available include: the ship is in drydock, the ship is undergoing a scheduled major overhaul, or the ship is undergoing an unscheduled repair. MARAD and DOD also maintain records of the sealift ships enrolled in the MSP and VISA and their crew requirements. Availability of mariners: Information on the available supply of licensed and unlicensed mariners is extrapolated from data received from the U.S. Coast Guard's Merchant Mariner Licensing and Documentation (MMLD) system.

Limitations: The information on the available supply of licensed and unlicensed mariners is an estimate. Because the MMLD also does not contain all of the information on individual mariners contained in their paper records, and provides no information on the availability and willingness of individuals to accept a sealift position in an emergency, it does not provide sufficient assurance of mariner availability.

Statistical Issues: None

Verification & Validation: The MARAD Regional Offices (and contracted ship managers) monitor the condition and overall readiness of each assigned RRF ship to meet its DOD mission. When a ship is determined not capable of meeting its activation timeframe (mission), it is given one of several vessel condition ratings that are reported to DOD. The monthly report contains an explanation of the deficiency and an estimated date when the ship will become fully capable of meeting its mission. MSP contract performance is monitored throughout the year in order to assure proper payment of the MSP payment to the ship operators. Recently, MARAD attempted to validate mariner availability estimates by conducting a survey of the mariner population. A second survey is expected to commence in April 2002 to refine and improve the information needed to determine availability. Because the decision to serve is a matter of individual choice and is subject to change, MARAD intends to develop a plan for maintaining current information on mariner availability based on the results of the 2002 mariner survey.

Comment: None.

DOD-designated port facilities

Measure:	Percentage of DOD-designated commercial strategic ports for military use that are available for military use within DOD established readiness timelines.
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- Scope:** The measure consists of the total number of DOD-designated commercial strategic ports for military use that are assessed as able to meet DOD-readiness requirements on 48-hour notice, expressed as a percentage of the total number of DOD-designated commercial strategic ports. Presently there are 14 DOD-designated commercial strategic ports. Port readiness is based on monthly reports submitted by the ports and semi-annual port readiness assessments by MARAD in cooperation with other NPRN partners. The MARAD/DOD semi-annual port assessments provide data or other information on a variety of factors, including the following: the capabilities of channels, anchorages, berths, and pilots/tugboats to handle larger ships; rail access, rail restrictions, rail ramp offloading areas, and rail storage capacities; the availability of trained labor gangs and bosses; number and capabilities of available cranes; long-term leases and contracts for the port facility; distances from ports to key military installations; intermodal capabilities for handling containers; highway and rail access; number of port entry gates; available lighting for night operations; and number and capacity of covered storage areas and marshalling areas off the port.
- Source:** MARAD data are derived from monthly reports submitted by the commercial strategic ports and from MARAD/DOD semi-annual port assessments.
- Limitations:** Port readiness assessments were not made prior to 1995; therefore, data are available only for 1995 and later years. MARAD conducts a monthly survey of all strategic facilities to determine whether they meet the DOD availability requirement. This information is provided to MARAD as a self-assessment by the port agency that owns the facility. There is some degree of subjectivity in determining the availability of the port facilities. As part of the overall planning process, MARAD and DOD conduct semiannual visits to independently verify and reassess port capability and availability. The indicator is by definition a point-in-time judgment. The results of the monthly and semi-annual reports used to measure port readiness can vary in accordance with the intensity of commercial activity at a given port at the time of the assessment. Also, the monthly reports do not include the same level of detail as the semi-annual assessments, although MARAD is in continuous contact with port officials to minimize response error.
- Statistical Issues:** The measurement of port readiness is an overall measure derived from MTMC comments, monthly readiness reports, and semi-annual assessments. As such, it is a subjective measure.
- Verification & Validation:** The MARAD/DOD semi-annual port visits independently verify and reassess not only the DOD-designated facilities, but also the total capability of the commercial strategic port.
- Comment:** None.

Details on DOT Measures of Organizational Excellence

DOT Major Systems Acquisition Cost & Schedule Performance

Measure:	Percentage of DOT major system acquisition cost and schedule baselines that are met. (FY)
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- Scope:** This performance measure encompasses acquisition management data for all of DOT’s major systems acquisition contracts, primarily in the FAA, but from any office procuring a major system as defined in OMB Circular A-11, and DOT’s Capital Programming and Investment Control order.
- Source:** Acquisition program management data from each DOT organization procuring major systems.
- Limitations:** None.

Statistical Issues: None.

Verification & Validation: Each DOT organization maintains its own quality control checks for cost, schedule, and performance data of each major systems acquisition in accordance with OMB Circulars A-11, A-109, and A-130, Federal Acquisition Regulations, and Departmental orders implementing those directives and regulations.

Comment: None.

Small disadvantaged and women-owned small business contracting Page 64

Measure:	<p>1. Percent share of the total dollar value of DOT direct contracts that are awarded to women-owned businesses. (FY)</p> <p>2. Percent share of the total dollar value of DOT direct contracts that are awarded to small disadvantaged businesses. (FY)</p>
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Scope: Includes contracts awarded by DOT contracting activities (except FAA) through direct procurement (i.e., not including contracts issued by grantees).

Source: All DOT contracting activities except the FAA report data to the Contract Information System (CIS). This data is reported to the Federal Procurement Data Center (FPDC) by the CIS.

Limitations: Contracting data is reported by procurement offices directly into the CIS. Data can still be entered into CIS and reported to FPDC after performance measurement results are submitted so small variations in prior year performance data may result.

Statistical Issues: There is no major error present in the subject data. However, random variation in the number of DOT contracts as well as the number of women-owned and small-disadvantaged businesses each year results in some random variation in these measures from year to year.

Verification & Validation: DOT conducts comparison checks of CIS data with FPDC data to reconcile discrepancies. On occasion, GSA audits the accuracy of DOT contracting data.

Comment: None.

Major Federally funded Infrastructure Project Oversight Page 65

Measure:	<p>Percentage of major Federally funded infrastructure projects that meet cost estimates in project agreements or contracts, or miss them by less than 10%. (FY)</p> <p>Percentage of major Federally funded infrastructure projects that meet schedule milestones in project agreements or contracts, or miss them by less than 10%. (FY)</p>
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Scope: Active FTA New Starts projects with Full Funding Grant Agreements larger than \$1 billion; FHWA projects with a total cost of \$1 billion or more, and FAA runway projects with a total cost of \$1 billion or more.

Source: FTA: measures are calculated monthly by an FTA Headquarters Engineer, checked by the Team Leader and re-checked by the Office Director. FTA uses independent reviews and third party assessments such as the Corps of Engineers and other oversight contractors to validate the accuracy of project budgets and schedules before grantees' are awarded Full Funding Grant Agreements. FHWA: uses essentially the same process as FTA. FAA enters into a project agreement with airport sponsors, and closely manages the project in a fashion similar to managing a direct FAA contract

Limitations: None.

Statistical Issues: None.

Verification & Validation: DOT operating administrations work closely with their State and local government counterparts in designing and adhering to project cost and schedule baselines.

Comment: None.

Transit Grant Approval Efficiency

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Measure:	Percentage of transit grants obligated within 60 days after submission of a completed application.
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Scope: FTA grants obligated during a fiscal year period for major programs: Urbanized area, non-Urbanized area, and Elderly and Persons with Disabilities formula grants; Capital grants; Job Access and Reverse Commute grants; Over-The-Road Bus grants; and Planning grants.

Source: FTA TEAM database.

Limitations: Several factors that contribute to grant delays are beyond FTA's ability to control. These factors include the processing of flexible funds from FHWA through the Treasury, and the Congressional grant release process.

Statistical Issues: Processing time is calculated from submission date to obligation date. \$0 dollar non-funding grant amendments are excluded from analysis.

Verification & Validation: TEAM output file is crosschecked against other system generated files for consistency; inconsistencies are investigated and corrected prior to reporting. Grants with missing or out-of-sequence dates are excluded for calculating averages.

Comment: An FTA task force meeting was held in February 2002 to identify causes for grant processing delays. The resulting action plan is now being circulated for final review and approval. Implementation of the plan will follow.

Environmental Justice

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Measure:	Percent of environmental justice cases that remain unresolved after one year. (FY)
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Scope: Data covers complaints filed with DOT under Title VI of the Civil Rights Act of 1964 and which have had environmental justice elements, such as allegations of substantially adverse environmental or health impact on a minority or low-income community by a transportation project. Case resolutions are actions that end or administratively close out complaints. These include such actions as determinations of no jurisdiction, withdrawals by complainants, resolutions achieved through alternative dispute resolution, findings of no violation, and negotiated settlements after discrimination findings under Title VI.

Source: DOT will collect this data through the External Complaint Tracking System (XTRAK).

Limitations:	This measure is an initial indicator of how well DOT processes EJ complaints. Variables that will not necessarily be assessed include such factors as magnitude of injury, number of beneficiaries adversely affected, pervasiveness, and time constraints before irreparable damage occurs. Other statutory requirements exist for NEPA concerns.
Statistical Issues:	None.
Verification & Validation:	Data will cover the entire universe of external complaints received by DOT, and will be entered into the system by operating administrations and DOT Office of Civil Rights staff.
Comment:	This indicator does not measure the impact of DOT's efforts to prevent the conditions that give rise to complaints. It does provide an initial measure of response timeliness, which is important to the public. The measure was expanded in 2000 to include the percent of cases that remain unresolved after one year as a further indicator of the timeliness of resolution. All environmental justice cases by definition relate to the concerns of a community of low income and/or minority people. In addition, the number of cases indicates the pervasiveness of community perception of significantly adverse environmental and health concerns.

Appendix II – Budget Crosswalk

Budget Accounts and Program Activities by Strategic Goal							
Program and Financing Schedule FY 2004 President's Budget Appendix			<i>Safety</i>	<i>Mobility & Economic Growth</i>	<i>Environment</i>	<i>Homeland & National Security</i>	<i>Org. Excellence</i>
Account & Program Activity (BA; Ob. Lim.; & Exempt Obs.)		(\$M)					
OST	Salaries and Expenses	108.9	0.0	15.2	0.0	12.2	81.5
	General administration	108.9	0.0	15.2	0.0	12.2	81.5
	Office of Civil Rights	8.6	0.0	0.0	0.0	0.0	8.6
	Direct program	8.6	0.0	0.0	0.0	0.0	8.6
	Minority Business Outreach	3.0	0.0	0.0	0.0	0.0	3.0
	Direct program activity	3.0	0.0	0.0	0.0	0.0	3.0
	New Headquarters Building	45.0	0.0	0.0	0.0	0.0	45.0
	Direct program activity	45.0	0.0	0.0	0.0	0.0	45.0
	Transportation Planning, R&D	10.8	1.3	9.4	0.0	0.0	0.2
	Transportation Policy and Planning	10.9	1.3	9.4	0.0	0.0	0.2
	Essential Air Service & Rural Airport Improvement Fund	33.0	0.0	33.0	0.0	0.0	0.0
	Direct program	33.0	0.0	33.0	0.0	0.0	0.0
	MBRC Direct loan subsidy & admin	0.9	0.0	0.0	0.0	0.0	0.9
	Increase minority & women-owned business contracting	0.9	0.0	0.0	0.0	0.0	0.9
	OST SUBTOTALS:	210.2	1.3	57.6	0.0	12.2	139.1
FAA	Operations	7,590.7	7,137.1	254.5	11.7	145.0	42.4
	Grants-in-aid for Airports	3,400.0	954.0	1,841.2	472.2	132.6	0.0
	Facilities and Equipment	2,916.0	539.4	2,257.7	31.4	87.5	0.0
	Research, Engineering, and Development	100.0	94.8	0.0	5.2	0.0	0.0
	FAA SUBTOTALS:	14,006.7	8,725.3	4,353.4	520.5	365.1	42.4

DOT Performance Plan – FY 2004

Program and Financing Schedule FY 2004 President's Budget Appendix							
Account & Program Activity (BA; Ob. Lim.; & Exempt Obs.)		(\$M)	Safety	Mobility & Economic Growth	Environment	National Security	Org. Excellence
FHWA	Federal-Aid Highways	30,225.4	4,304.6	23,159.4	2,689.4	26.4	45.6
	Transport. Infrastruct. Finance and Innovation	130.0	0.0	130.0	0.0	0.0	0.0
	Interstate Maintenance	5,048.9	0.0	5,048.9	0.0	0.0	0.0
	National Highway System	6,179.3	804.8	5,110.4	264.1	0.0	0.0
	Bridge Program	4,183.4	548.0	3,455.5	179.9	0.0	0.0
	Surface Transportation Program	4,803.7	873.0	3,409.5	521.2	0.0	0.0
	Congestion Mitigation & Air Quality Imp. Prog.	1,361.6	0.0	0.0	1,361.6	0.0	0.0
	Infrastruct. Performance & Maintenance Prog.	1,000.1	131.0	826.0	43.1	0.0	0.0
	Appalachian Development Highway System	443.7	0.0	443.7	0.0	0.0	0.0
	Reauthorization Initiatives and Other Programs	2,460.9	1,361.3	974.0	122.9	2.7	0.0
	Federal Lands Highways	939.7	121.2	776.1	37.6	1.9	2.9
	Transportation Research	404.0	78.2	230.5	32.0	21.8	41.5
	Minimum Alloc./Guarantee (& other Exmt. Obs.)	2,731.3	342.7	2,276.1	112.5	0.0	0.0
	Administration - FAH Programs	338.8	44.4	278.7	14.5	0.0	1.2
	Emergency Relief	200.0	0.0	200.0	0.0	0.0	0.0
	FHWA SUBTOTALS:	30,225.4	4,304.6	23,159.4	2,689.4	26.4	45.6
FMCSA	Motor Carrier Safety Operations and Pgms.	224.4	183.5	2.0	0.0	10.3	28.6
	Commercial motor vehicle safety	174.1	174.1	0.0	0.0	0.0	0.0
	Commercial motor vehicle hazmat safety	9.4	9.4	0.0	0.0	0.0	0.0
	Commercial motor vehicle hazmat security	10.3	0.0	0.0	0.0	10.3	0.0
	Commercial motor vehicle mobility & ec. gwth	2.0	0.0	2.0	0.0	0.0	0.0
	Organizational excellence	28.6	0.0	0.0	0.0	0.0	28.6
	Motor Carrier Safety Grants	222.6	222.6	0.0	0.0	0.0	0.0
	Commercial motor vehicle safety	213.6	213.6	0.0	0.0	0.0	0.0
	Commercial motor vehicle hazmat safety	9.0	9.0	0.0	0.0	0.0	0.0
	FMCSA SUBTOTALS:	447.0	406.1	2.0	0.0	10.3	28.6
NHTSA	Operations and Research	218.1	216.2	0.0	1.9	0.0	0.0
	Rulemaking	25.5	23.6	0.0	1.9	0.0	0.0
	Enforcement	33.4	33.4	0.0	0.0	0.0	0.0
	Highway safety programs	53.6	53.6	0.0	0.0	0.0	0.0
	Research and analysis	85.7	85.7	0.0	0.0	0.0	0.0
	Office of the Administrator	6.9	6.9	0.0	0.0	0.0	0.0
	General administration	13.1	13.1	0.0	0.0	0.0	0.0
	Highway Traffic Safety Grants	447.0	447.0	0.0	0.0	0.0	0.0
	Section 402 formula grants	387.0	387.0	0.0	0.0	0.0	0.0
	Sect. 412 State Hwy Tfc. Safety Info Sys.	50.0	50.0	0.0	0.0	0.0	0.0
	Section 407 Emergency Medical Services	10.0	10.0	0.0	0.0	0.0	0.0
	NHTSA SUBTOTALS:	665.1	663.2	0.0	1.9	0.0	0.0

Program and Financing Schedule FY 2004 President's Budget Appendix							
Account & Program Activity (BA; Ob. Lim.; & Exempt Obs.)		(\$M)	Safety	Mobility & Economic Growth	Environment	National Security	Org. Excellence
FRA	Safety and Operations	131.2	128.8	0.0	0.0	0.6	1.8
	Salaries and expenses	129.7	127.3	0.0	0.0	0.6	1.8
	Contract support	0.6	0.6	0.0	0.0	0.0	0.0
	Alaska railroad liabilities	0.9	0.9	0.0	0.0	0.0	0.0
	Railroad Research and Development	35.0	34.4	0.0	0.7	0.0	0.0
	Railroad system issues	3.2	2.6	0.0	0.7	0.0	0.0
	Human factors	3.7	3.7	0.0	0.0	0.0	0.0
	Rolling stock and components	2.6	2.6	0.0	0.0	0.0	0.0
	Track and structures	4.1	4.1	0.0	0.0	0.0	0.0
	Track and train interaction	3.4	3.4	0.0	0.0	0.0	0.0
	Train control	1.0	1.0	0.0	0.0	0.0	0.0
	Grade crossings	1.4	1.4	0.0	0.0	0.0	0.0
	Hazardous materials transportation	1.0	1.0	0.0	0.0	0.0	0.0
	Train occupant protection	6.5	6.5	0.0	0.0	0.0	0.0
	R&D facilities and test equipment	1.4	1.4	0.0	0.0	0.0	0.0
	National Differential GPS	6.8	6.8	0.0	0.0	0.0	0.0
	Next Generation High Speed Rail	23.2	14.3	8.9	0.0	0.0	0.0
	High-speed train control systems	10.0	10.0	0.0	0.0	0.0	0.0
	High-speed non-electric locomotives	5.9	0.0	5.9	0.0	0.0	0.0
	Grade crossing hazard mitigation	4.3	4.3	0.0	0.0	0.0	0.0
	Track/structures technology	1.3	0.0	1.3	0.0	0.0	0.0
	Corridor planning	1.7	0.0	1.7	0.0	0.0	0.0
	Capital Grants to the National Passenger Rail Corporation	900.0	0.0	900.0	0.0	0.0	0.0
	Operating grants	900.0	0.0	900.0	0.0	0.0	0.0
	FRA SUBTOTALS:	1,089.4	177.4	908.9	0.7	0.6	1.8
FTA	Formula Grants and Research	5,615.4	10.9	5,545.9	3.3	39.9	15.4
	Urbanized area programs	3,524.3	0.0	3,489.2	0.0	35.1	0.0
	Fixed guideway modernization	1,214.4	0.0	1,214.4	0.0	0.0	0.0
	Alaska Railroad	4.8	0.0	4.8	0.0	0.0	0.0
	Over the road bus	7.0	0.0	7.0	0.0	0.0	0.0
	National transit database	3.5	0.0	0.0	0.0	0.0	3.5
	State administered programs	741.4	0.0	741.4	0.0	0.0	0.0
	National research	49.8	10.9	20.9	3.3	4.8	9.9
	Planning	70.2	0.0	68.2	0.0	0.0	2.0
	Major Capital Investment Grants	1,534.1	0.0	1,534.1	0.0	0.0	0.0
	New starts	1,515.1	0.0	1,515.1	0.0	0.0	0.0
	Planning	19.0	0.0	19.0	0.0	0.0	0.0
	Administrative Expenses	76.5	0.6	54.6	0.6	0.5	20.2
	Direct program	76.5	0.6	54.6	0.6	0.5	20.2
	FTA SUBTOTALS:	7,226.0	11.5	7,134.6	3.9	40.4	35.6

Program and Financing Schedule FY 2004 President's Budget Appendix							
Account & Program Activity (BA; Ob. Lim.; & Exempt Obs.)		(\$M)	Safety	Mobility & Economic Growth	Environment	Homeland & National Security	Org. Excellence
SLSDC	St Lawrence Seaway Development Corp.	14.4	0.0	14.2	0.0	0.2	0.0
	Maritime navigation	14.2	0.0	14.2	0.0	0.0	0.0
	Critical infrastructure protection	0.2	0.0	0.0	0.0	0.2	0.0
	SLSDC SUBTOTALS:	14.4	0.0	14.2	0.0	0.2	0.0
RSPA	Research and Special Programs	50.7	37.7	3.1	1.8	1.7	6.5
	Hazardous materials safety	24.0	24.0	0.0	0.0	0.0	0.0
	Emergency transportation	3.7	0.0	2.4	0.0	1.3	0.0
	Research and technology	4.2	2.4	0.0	0.0	0.0	1.8
	Program support	18.8	11.3	0.7	1.8	0.4	4.7
	Pipeline Safety	67.1	48.4	0.0	18.7	0.0	0.0
	Operations	38.9	24.7	0.0	14.2	0.0	0.0
	Research and development	9.1	6.0	0.0	3.1	0.0	0.0
	Grants	19.1	17.7	0.0	1.4	0.0	0.0
	Emergency Preparedness Grants	14.3	14.3	0.0	0.0	0.0	0.0
	Emergency preparedness grants	14.3	14.3	0.0	0.0	0.0	0.0
	RSPA SUBTOTALS:	132.1	100.4	3.1	20.5	1.7	6.5
OIG	Salaries and Expenses	55.0	* See Notes.				
	OIG SUBTOTALS:						
STB	Salaries and Expenses	19.5	* See Notes.				
	STB SUBTOTALS:						
BTS	Bureau of Transportation Statistics	[31.5]	[0.7]	[24.8]	[0.1]	[0.9]	[9.0]
	Office of Airline Information	4.0	0.0	4.0	0.0	0.0	0.0
	Office of airline information	4.0	0.0	4.0	0.0	0.0	0.0
	BTS SUBTOTALS:	4.0	0.0	4.0	0.0	0.0	0.0

Program and Financing Schedule FY 2004 President's Budget Appendix								
Account & Program Activity (BA; Ob. Lim.; & Exempt Obs.)		(\$M)	Safety	Mobility & Economic Growth	Environment	National Security	Org. Excellence	
MARAD	Maritime Security Program	98.7	0.0	0.0	0.0	98.7	0.0	
	Maritime security program	98.7	0.0	0.0	0.0	98.7	0.0	
	Ship Disposal	11.4	0.0	0.0	11.4	0.0	0.0	
	Ship disposal	11.4	0.0	0.0	11.4	0.0	0.0	
	Ocean Freight Differential	44.7	0.0	44.7	0.0	0.0	0.0	
	Ocean freight differential	44.7	0.0	44.7	0.0	0.0	0.0	
	Operations and Training	104.4	0.0	16.8	4.3	76.3	7.0	
	Merchant Marine Academy	52.9	0.0	0.0	0.0	52.9	0.0	
	State marine schools	9.5	0.0	0.0	0.0	9.5	0.0	
	MARAD Operations	42.0	0.0	16.8	4.3	13.9	7.0	
	Maritime Guaranteed Loans (Title XI)	4.5	0.0	4.5	0.0	0.0	0.0	
	Administrative expenses	4.5	0.0	4.5	0.0	0.0	0.0	
	MARAD SUBTOTALS:	263.7	0.0	66.0	15.7	175.0	7.0	
DEPARTMENT OF TRANSPORTATION TOTALS:		54,283.8	14,390.1	35,724.1	3,252.9	631.9	284.5	
Share of Total DOT Spending Authority:		100.0%	26.5%	65.8%	6.0%	1.2%	0.5%	
Notes:		* Some totals may not add exactly, due to rounding.					* Inspector General (OIG) and Surface Transp. Board (STB) not included in totals; they are decisionally independent.	

