

Statement of Phil Trenary
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Pinnacle Airlines Corp.
before the
Subcommittee on Aviation Operations, Safety, and Security
Committee on Commerce, Science, and Transportation
United States Senate
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Chairman Dorgan, Ranking Member DeMint, and Members of the Subcommittee:

My name is Phil Trenary and I am the President and Chief Executive Officer of Pinnacle Airlines Corp., which is the parent of both Pinnacle Airlines, Inc. and Colgan Air, Inc.

I would like to again express personally, and, on behalf of our entire family of employees, our deepest and most heartfelt sympathy to everyone who has been touched by the tragic loss of Flight 3407, especially those who lost loved ones. While recognizing that words alone are faint consolation, we share in the grief suffered by their relatives and friends. My thoughts and prayers are, and will continue to be, with them.

I would like to thank the Subcommittee for affording us this opportunity to share our thoughts about very important matters of aviation safety. We commend the hard work this Subcommittee has dedicated into examining these issues. The airline industry is extraordinarily safe because the government, airlines, our employees, labor and aviation experts work together cooperatively. We fully support and welcome this Subcommittee's commitment to aviation Safety.

I am extremely passionate about our industry and have dedicated my career to achieving continuous improvement in aviation safety and air transportation, primarily to areas of our nation that have no other access to the National Airspace System. I began my career as a flight instructor at Oklahoma State University and worked my way up to a professional pilot holding an Airline Transport Rating flying turboprop and jet aircraft in domestic and international operations. I have been a regional airline CEO for the past 25 years, including Pinnacle Airlines since 1997.

Mr. Chairman and members of the Subcommittee, at Pinnacle Airlines and Colgan Air, Safety starts at the top of the Company – with me. And it is my responsibility to ensure that the leadership of our company promotes Safety throughout our organization in every action and in every communication to our employees. Safety is our number one Guiding Principle. It motivates everything we do. No accident is acceptable, period.

Our company is committed each and every day to making sure our flight crews and airplanes are as safe as humanly possible. In an industry where we all constantly search for best practices among our peers, Safety is the best practice of them all. Safety is good business. At our airlines, Safety is the foundation upon which everything else depends. Without a strong Safety culture, an airline will not survive. Our goal is to ensure that no airplane leaves the gate unless every Safety precaution has been taken.

Together, Pinnacle Airlines and Colgan Air employ almost 5,000 professionals, and the message of Safety is always uppermost in their minds. These fine men and women provide Safe airline transportation to over 13 million passengers annually to 134 cities and towns across North America.

I shoulder my responsibility with the utmost gravity, and I will not tolerate any less commitment from any of my staff.

I would now like to emphasize several key points that reflect this unwavering focus on Safety.

- **Our commercial relationship to mainline carriers begins with a deep commitment to Safety.**

Pinnacle Airlines and Colgan Air have code-sharing relationships with our mainline business partners. We provide the crew and the aircraft, while our partners set flight schedules, fares and customer-service standards. These arrangements allow carriers to serve markets that otherwise would have no scheduled airline service at all. Pinnacle Airlines operates a modern fleet of regional jet aircraft and flies over 740 Delta Connection flights daily to 120 airports. It flies out of four hubs: Memphis, Detroit, Atlanta, and Minneapolis-St. Paul. Colgan Air operates state-of-the art turboprop airliners on over 350 flights per day. It is affiliated with three airlines and operates as Continental Connection, United Express and US Airways Express.

A passenger purchasing a ticket on a mainline carrier's regional partner has every reason to expect the same high levels of service they would receive on the mainline carrier. Even more important, they have every right to expect that the mainline carrier and the regional partner have the same level of Safety.

And they do. A common misperception exists that regional airlines and mainline carriers are subject to different Safety standards. This is simply not true. All U.S. commercial air carriers are subject to the same standards and requirements, and receive exactly the same level of Safety oversight. Since 1995, the FAA has imposed one level of Safety on the entire air carrier industry. Thus, Pinnacle Airlines and Colgan

Air are independently required to meet exactly the same Safety standards as our mainline partners.

This is not to say that our partners do not take an interest in the Safety of our operations, because they do. Pinnacle Airlines and Colgan Air regularly communicate with our partners to discuss operating performance, safety programs and initiatives. All of our agreements provide extensive rights to our partners to inspect and review all aspects of our operations. The agreements with our partners also memorialize the requirement that we must comply with all federal aviation regulations and operating rules promulgated by the FAA, the DOT and any other regulatory authority in the United States.

But aside from regulatory requirements, our partners take an intense interest in the Safety of our operations. The operating departments of Pinnacle Airlines and Colgan Air regularly communicate with their counterparts on a formal, scheduled basis, as well as engaging frequently on an informal basis. We share best practices. We ask for advice. We report our operational and Safety metrics regularly, and we use the expertise of our partners when developing our continuous program of Safety enhancement. Pinnacle Airlines was a leader in forming the “Safety Alliance” to share data with its code-share partners, and is implementing the same philosophy with Colgan Air.

In addition to continuous scrutiny by the FAA and our business partners, Pinnacle Airlines and Colgan Air regularly undergo Safety audits conducted by third parties as well. The most rigorous industry safety audit is performed every two years by the International Air Transport Association, which examines almost 2,400 items for

compliance and documentation. Both of our airlines have passed this test, and in fact, Colgan Air completed its biennial audit just last week with a 98.8% conformance to IATA standard practices.

- **I want to underscore that Safety is our top priority and a continuous process.**

Several years ago Pinnacle Airlines committed to taking a leadership role in airline Safety. We were among the first to adopt a wide range of Safety programs and today we are one of only a few airlines, regional and major, to have adopted the full suite of voluntary Safety initiatives recommended by the FAA and NTSB. When we purchased Colgan Air, we made the same commitment and Colgan Air has already adopted many of the same programs. I have committed to our Customers, our mainline partners and to members of this Subcommittee that Colgan Air will be in the same position of leadership within the next few months. We implemented these voluntary Safety programs in both companies well before any calls for such programs to be mandatory in the industry, and we have regularly exceeded regulatory requirements in Safety initiatives.

These initiatives include:

- The Aviation Safety Action Program (ASAP). ASAP enhances safety by encouraging the voluntary reporting of regulatory non-conformance by our employees. The program is non-punitive and results in our Operations and Safety departments being able to gather information on potential Safety issues that we might not have known about were it not for the ASAP program. With this information, we have the ability to spot trends that could lead to Safety lapses. As more airlines begin using ASAP, sharing of a broader range of data will

benefit us even more. Pinnacle Airlines and Colgan Air have expanded this program to include our Flight Attendants, Mechanics and Dispatchers.

- Flight Operations Quality Assurance (FOQA). This is a partnership among the airlines, the FAA and pilots. It collects data on what an aircraft did during a flight to identify potential safety issues and correct them before any Safety-related events take place.
- Line Operations Safety Audit (LOSA). This program uses highly trained observers riding in cockpit jump seats to observe and evaluate crew performance. The observers record how flight crews manage various situations they encounter to maintain Safety. Pinnacle Airlines was the first regional airline to perform LOSA under FAA, University of Texas and ICAO standards.
- Internal Evaluation Program (IEP). This provides continuous oversight of the airline's internal procedures and policies for effectiveness and compliance. The focus is on evaluating processes in order to anticipate and address potential problem areas before compliance or Safety issues arise.

The combination of ASAP, FOQA, LOSA, and IEP provides the cornerstone for our Safety program and will be incorporated into our overall Safety Management System (SMS). Pinnacle Airlines is in phase one of the SMS process with the next meeting with FAA and its consultant set in September. A three-party agreement (Airline, FAA, and Labor) is crucial for its success.

All Part 121 airlines have at least one or two of these programs in place, but it is not common to have all four. At Pinnacle Airlines and Colgan Air, our goal is to prevent accidents and our culture does not tolerate compromising Safety for economic reasons.

- **Pinnacle Airlines and Colgan Air have a philosophy of continuous improvement.**

Pinnacle Airlines has long maintained a high level, systematic approach to Safety, and with Pinnacle Airline Corp.'s acquisition of Colgan Air in 2007, this practice has been instilled at Colgan Air as well. New initiatives at Colgan Air include:

- Creating a remedial training and pilot monitoring program for pilots who have demonstrated difficulty during any phase of training or online evaluation.
- Increasing minimum flight experience requirements for new pilots and Captain upgrade candidates.
- Developing more robust fatigue guidance, including fatigue recognition and self-discipline for personal rest plans.
- Instituting stick pusher demonstrations in a flight simulator, despite the fact that flight simulator training on this issue is not required by the FAA and is not standard in the airline industry.
- Enhancing recordkeeping procedures by requiring retention of paper copies of training and checking failures as a backup to our electronic records.
- Implementing a new automated safety reporting process using a web-based database and automatic alerts to designated Directors and Managers.
- Increasing Safety Department observations of crew bases, outstations and jump seat observations.
- Evaluating safety reporting systems, including potential use of new technology such as text messaging for instant reporting on issues from the field.

For both Pinnacle Airlines and Colgan Air, the drive for constant improvement never ceases, and the list of enhancements to our Safety programs will continue to grow.

- **Our pilots are carefully screened and highly trained.**

Pinnacle Airlines and Colgan Air pilots meet the same high, federally-mandated standards as pilots at major air carriers and undergo a rigorous, multi-tiered evaluation process before they are hired. About two-thirds of those who are initially contacted for an interview are not offered a job. The minimum new hire experience requirement at each airline exceeds FAA requirements.

Colgan Air pilots undergo a thorough evaluation process before they are accepted into a training program, including testing by a certified check airman in a full-motion simulator, a step that is not widely-used in our industry as a component of the hiring process. In order to become a pilot with our airlines, training candidates must pass all ground training, simulator training, and checkrides, as well as background checks in accordance with the PRIA (Pilot Records Improvement Act). Limitations in the available information attainable through the current PRIA program have in the past made it difficult for airlines to review full aviation histories on applicants, and we hope that improvements suggested by this Subcommittee will include an expansion of access to prospective pilot records. Until such time as the PRIA program is expanded, Pinnacle Airlines and Colgan Air require all new applicants to bring all training records with them for their interview and agree to have their records verified through the Freedom of Information Act.

Pilots flying for Pinnacle Airlines and Colgan Air undergo thorough training programs which are fully approved by the FAA and normally exceed minimum requirements. For example, both Pinnacle Airlines and Colgan Air provide enhanced stall and upset recovery training. We also provide expanded training curriculums that include enhanced training in maneuvering, handling emergencies and mountainous terrain operations. We have initiatives in place to provide mentoring of new hires as well as crew-pairing to match experienced pilots with less-experienced ones. Our training uses state-of-the-art equipment such as the full-motion Level D simulators, flight management system trainers and ground flight simulators.

- **Compensation of our pilots is in line with industry standards.**

Our Captains at Pinnacle Airlines have, on average, over 6,900 hours of flight time while our Captains at Colgan Air average over 5,300 hours of flight time. Every Captain has an Airline Transport Pilot (ATP) rating, which is the highest level of pilot certification available. All pilots are “type rated” on the specific aircraft they fly, and all ratings are issued by the FAA.

When I arrived at Pinnacle Airlines 12 years ago, our average Captain salary was approximately \$36,000. Today, at both Pinnacle Airlines and Colgan Air, our Captains earn an average of over \$65,000 per year, and our First Officers earn an average of over \$24,000 per year plus per diem allowances.¹ These average salaries, as well as starting salaries, are consistent with the regional airline sector. While starting base salaries for co-pilots may seem low, they must be viewed in the context of many other professions where higher salaries are achieved through progressive levels of

¹ 2008 data.

responsibility. Also, our pilots' wages are subject to the collective bargaining process and are negotiated with our pilot groups.

- **I want the Subcommittee to know that our policies require rested and fit flight crews.**

Pinnacle Airlines and Colgan Air carefully follow the duty and rest time regulations of the FAA. An automated crew scheduling system tracks duty time and ensures compliance with duty limitations and rest requirements in compliance with FAA regulations.

Crew schedules are developed to provide ample rest between duty days and periodic extended rest periods. For example, after a three or four consecutive day duty period, a pilot may have four or five days off. Such schedules are desirable for pilots in order to achieve those consecutive days of rest, and airlines want their pilots to have those days off to be ready for their next assignment.

Monthly schedules are determined well in advance of the beginning of each month, which helps pilots be ready for their next assignment. Due to delays from weather or air traffic control or other irregularities beyond the airline's control, duty days do occasionally extend beyond the scheduled pairing times. Although 16-hour duty days are legal under FAA regulations, they are never assigned by Pinnacle Airlines or Colgan Air.

Our pilots are professionals and know the importance of proper rest. However, if a pilot does experience fatigue, the pilot has the ability to remove himself or herself from duty without facing punitive action from the airline. Simply stated, our fatigue policy is this: If you are fatigued, you do not fly. A pilot declaring fatigue will be excused from duty, and is asked to provide a report of the fatigue event which will only go to the

Safety Department. The Safety Department in turn tracks the reports of fatigue for trend analysis in the development of our Fatigue Risk Management program. No pilot is punished in any way for declaring that he or she is too fatigued to fly.

- **Finally, let me emphasize that Pinnacle Airlines and Colgan Air have appropriate commuting policies.**

Throughout the entire airline industry, many pilots and flight attendants choose to live in communities other than where they are based. This is not unique to the regional airlines. The ability to live virtually anywhere one desires has long been an attraction for the airline profession, and crewmembers who elect to do so are free to live wherever they wish, provided they comply with all the requirements of their job. We do not, nor does any other airline in our country, regulate where any employee may choose to live. We do, however, expect our pilots, flight attendants, and all of our employees to present themselves fit for duty, regardless of where they reside. Commuting crewmembers have various options available to them for residence while at their base, including shared apartments, and we expect they will make suitable arrangements to ensure they always have proper rest before reporting for duty. Often these shared accommodations are minimal because crewmembers will only spend a few nights each month residing there, while the bulk of their duty days allow overnight stays away from the base in a company-paid hotel room. Commuting crewmembers will share residences for the time they are on duty, then return to their homes for their multiple days off. This practice is common for pilots and flights attendants at all carriers and at all levels of compensation.

We realize that commuting pilots sometimes encounter difficulties getting to work in time for their rest and their assignment. Therefore, we offer these pilots an option to call their airline in advance when they know they will not be able to report on time. This

commuting policy aids the airline by ensuring it has ample time to reassign a flight to a reserve pilot, and also aids the pilot in knowing that he or she can notify the company of a missed assignment without facing any punitive action. Pinnacle Airlines and Colgan Air hire professional pilots who have an obligation to continuously maintain the exacting standards of their profession. We expect that these highly-trained men and women will use their rest periods wisely, prepare themselves for their flight assignments accordingly, and advise us if they are unable to perform their duties reliably.

There is no substitute for an airline's total commitment to Safety or the dedication of all crewmembers in the air and on the ground to upholding the highest professional standards at all times.

In closing, I want to assure this Subcommittee and the flying public that Pinnacle Airlines and Colgan Air will continue to make safety the highest priority and will aggressively seek to identify ways in which we can improve our operations and ensure that we operate the safest possible airlines. Again, I accept the responsibility for the Safety of all Pinnacle Airlines and Colgan Air customers and am fully committed to ensuring that our Airlines are recognized as leaders in airline Safety.

Thank you for the opportunity to testify today and for continuing the dialogue on these critical issues. I welcome any questions you may have.