

AHSAA **AMERICAN HELICOPTER SERVICES & AERIAL FIREFIGHTING ASSOCIATION**

Leading the Modernization of the U.S. Wildland Firefighting Agencies' Large Airtanker Fleet

An Approach Proposed by the Large Airtanker Industry

INTRODUCTION

As evidenced most recently with the wildfires in southeastern Texas, wildfires continue to threaten lives and property in the United States. As the line between wildlands and urban development continues to blur, greater values and more lives are at risk when wildfire occurs in the wildland-urban interface. A proven effective asset in combating these wildfires is the large airtanker.

The wildland firefighting agencies, federal and state, currently face the challenge of accessing sufficient large airtanker assets while simultaneously encouraging the modernization of those assets. Current and prospective private sector entities are positioned to respond to this need in an economical, effective, and responsible fashion.

The following is a proposal, on behalf of the large airtanker industry, to modernize the current and anticipated fleet of large airtanker aircraft over the next 4 years (2012-2015). This proposal does not require any specific appropriations from Congress other than the annual appropriations to the federal wildland firefighting agencies. As with any modernization effort, modern airtanker aircraft will bring increased costs as compared with the current legacy fleet of aircraft, which are surplus military aircraft acquired at minimal costs by the industry.

The industry is staged, technically and financially, to move forward with the modernization of the large airtanker fleet. The industry also recognizes the need to not only modernize the aircraft themselves, but also to modernize the business model under which that industry operates. Concurrent with that is a need for the Forest Service to modernize its business model for acquiring large airtanker aircraft. The Forest Service currently is approaching their requirements in the same way in which they have for the past 50 years. What is needed is for the Forest Service to issue a Request for Proposals (RFP) for a 10 year (5 year base and 5 year option) contract

for large airtankers. This contract would require the phasing in of modern airtanker aircraft by replacing existing legacy aircraft (11 aircraft) and adding 15 modern airtanker aircraft for a total of 26 modern airtankers.

Current and Modernized Large Airtanker Fleet

Currently there are eleven (11) legacy aircraft in the large airtanker fleet operated by two (2) U.S. firms. All eleven of these aircraft are retired military P2V aircraft with a capacity of 2700 gallons of fire retardant. These aircraft are anywhere from 30 to 50 years old and are aging at a rapid pace. The maintenance and parts support costs for these aircraft continues to increase.

Based on previous Forest Service and Interagency studies and analysis the industry today is positioned to modernize the existing legacy fleet with modern, efficient, cost effective, mission compatible, and mission relevant aircraft. This proposal is based on information provided by some of the airtanker industry members and some assumptions concerning others in the industry or ready to enter the industry. Any assumptions are based upon available technical and pricing data. Due to the proprietary nature of this information, this proposal will remain general in terms of pricing information and specific technical capabilities. Specific pricing and technical information relative to individual companies will be provided in response to a Forest Service RFP that may be issued at a future date. This proposal will however, speak as specifically as possible in describing a strategy to replace the current legacy airtanker fleet within 4 years with 26 modern large airtanker.

The acquisition and tanking of the aircraft proposed will cost approximately \$3 - \$5 million per aircraft and will result in an increase of contract availability costs of approximately 20% and flight rates approximately 30% over cost of the current legacy fleet. These cost increases will be compensated for in greater capacity (gallons delivered per drop), lower overall maintenance costs, reduced down time due to maintenance requirements, and greater efficiency in the delivery of the fire retardant.

AHSAA **AMERICAN HELICOPTER SERVICES & AERIAL FIREFIGHTING ASSOCIATION**

The wildland firefighting agencies recognize there is no aircraft built specifically for the large airtanker mission and the expense to build and acquire a purpose built aircraft would be cost prohibitive to the agencies' firefighting efforts. The agencies also recognize, and this was documented in the Blue Ribbon Committee on Federal Aerial Firefighting Report in December 2002, that they and the large airtanker industry can no longer rely on excess military aircraft for this mission.

The large airtanker industry, current and prospective, have over the past three years, invested in the development of the modernized airtanker fleet. This proposal reflects 3-4 different models of aircraft being brought on line over the next four years. There is one model of aircraft that has undergone the required testing to gain interim approval of the Interagency Airtanker Board and the operator is operating that aircraft on wildland fires this year.

The anticipated 3000 – 4000 gallon capacity of the currently identified modernized large airtanker fleet fits nicely with the other aerial firefighting resources such as the Type 1 helicopters, Single Engine Air Tankers (SEATs), and the two very large airtankers (DC-10 and 747). If the wildland firefighting agencies determine there is a need for a small number of 4000-4500 gallon capacity aircraft, the industry could respond with those airtankers as well.

The only thing required of the wildland firefighting agencies is for the Forest Service to issue by January 2012 the RFP for a 10 year contract (5 years firm and a single 5 year option) for large airtankers. No additional federal funding is required other than those needed to cover the increased cost in availability and flight rates described earlier in this paper.

If implemented, this proposal will:

- Achieve total modernization of the large airtanker fleet by the end of 2015.
- Achieve this modernization with a mix of aircraft type to avoid reliance on any one aircraft type.

AHSAA AMERICAN *HELICOPTER* SERVICES & AERIAL *FIREFIGHTING* ASSOCIATION

- Promote an appropriate and viable large airtanker industry.
- Reduce the current reliance on the National Guard for supplement large airtanker services.
- Provide a responsible alternative to current proposals for Congress to fund the purchase or lease of twenty four (24) C-130J aircraft either by the Department of Defense or the Forest Service. Thus avoiding an acquisition cost of approximately \$2.1 billion, tanking costs of approximately \$6-\$8 million per aircraft, and operating/maintenance costs 5 times those offered by the private industry with modernized aircraft.

The strategy for this modernization effort is presented as three levels of effort and probability of success associated with each of the three levels. The three levels of effort are **“aggressive”**, **“reasonable”**, and **“assured”** as shown in the following pages.

AHSAA AMERICAN *HELICOPTER* SERVICES & AERIAL *FIRE*FIGHTING ASSOCIATION

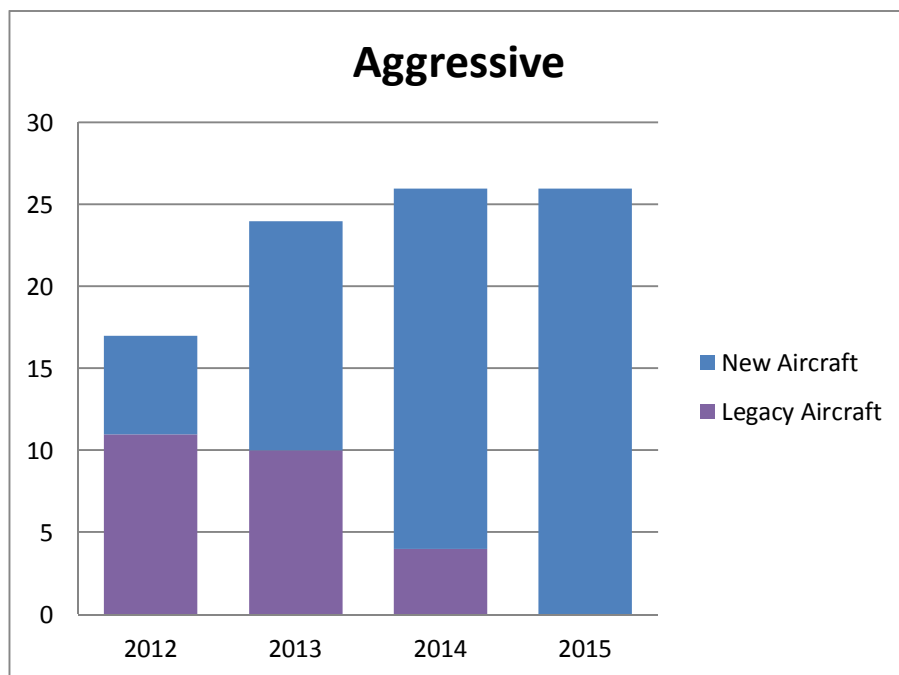
Aggressive: (probability of implementation = 30%) This approach results in the phasing out of the legacy fleet over a 3 year period, beginning in 2012. This would be accomplished by 2-5 companies.

2012: Bring on 6 modern airtankers and continue to utilize 11 legacy airtankers for a total of 17 large airtankers.

2013: Bring on 8 additional modern airtanker and continue to utilize 10 legacy airtankers for a total of 24 airtankers.

2014: Bring on 8 additional modern airtankers and continue to utilize 4 legacy airtankers for a total of 26 airtankers.

2015: Bring on 4 additional modern airtankers and discontinue the use of all legacy airtankers for a total of 26 airtankers.



AHSAA AMERICAN *HELICOPTER* SERVICES & AERIAL *FIRE*FIGHTING ASSOCIATION

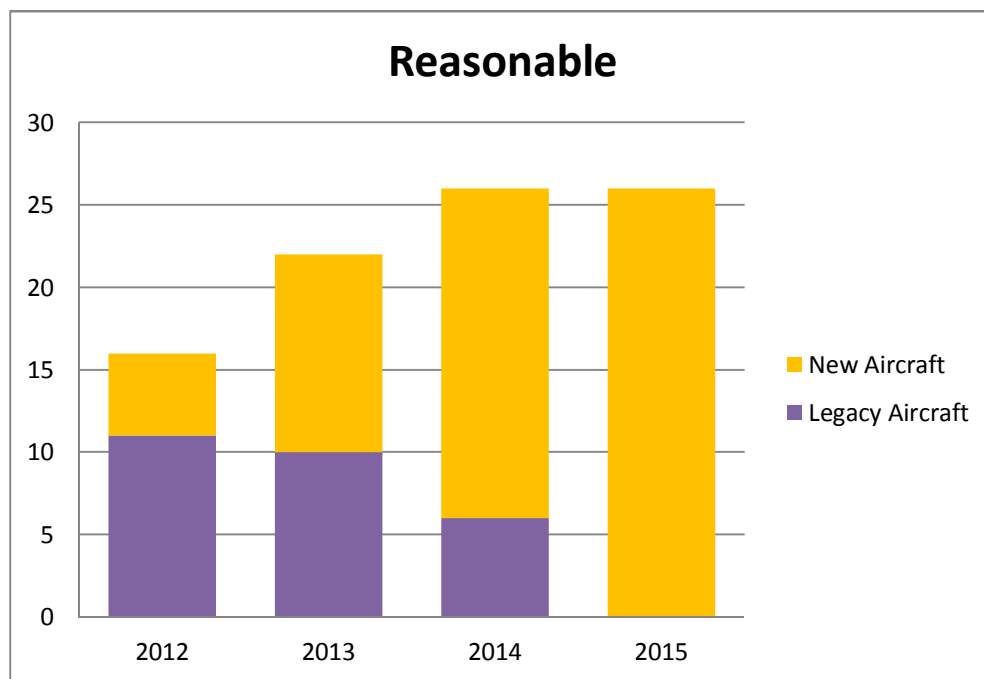
Reasonable: (probability of implementation= 80%) This approach results in the phasing out of the legacy fleet over a 4 year period, beginning in 2012. This would be accomplished by 2-4 companies.

2012: Bring on 5 modern airtankers and continue to utilize 11 legacy airtankers for a total of 16 airtankers.

2013: Bring on 7 additional modern airtankers and continue to utilize 10 legacy airtankers for a total of 22 airtankers.

2014: Bring on 8 additional modern airtankers and continue to utilize 6 legacy airtankers for a total of 26 airtankers.

2015: Bring on 6 additional modern airtankers and discontinue the use of all legacy airtankers for a total of 26 airtankers.



AHSFA AMERICAN HELICOPTER SERVICES & AERIAL FIREFIGHTING ASSOCIATION

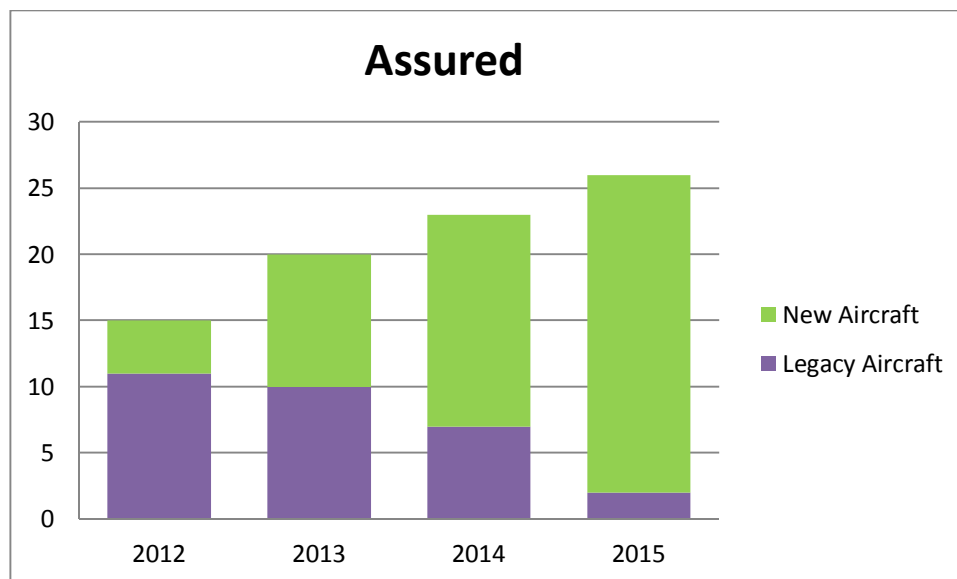
Assured: (probability of implementation = 100%) This approach results in the phasing out of the legacy fleet over a 4 year period, beginning in 2012. This would be accomplished by 2-4 companies.

2012: Bring on 4 modern airtankers and continue to utilize 11 legacy airtankers for a total of 15 airtankers.

2013: Bring on 6 additional modern airtankers and continue to utilize 10 legacy airtankers for a total of 20 airtankers.

2014: Bring on 6 additional modern airtankers and continue to utilize 7 legacy airtankers for a total of 23 airtankers.

2015: Bring on 8 additional modern airtankers and continue to utilize 2 legacy airtankers for a total of 26 airtankers.



The pace of implementing any one of these three approaches is at this point controlled by how quickly the Forest Service issues a RFP for a 10 year large airtanker contract and by how quickly the Interagency Airtanker Board conducts their tests, analysis, and approval of individual airtankers. At this time, the Forest Service does not appear to be expediting either action.

The American Helicopter Services & Aerial Firefighting Association respectfully request serious consideration of this proposal. The members of the industry are ready to provide individual detailed business plans upon request. If you have any questions or wish to discuss this proposal in further detail please contact Tom Eversole, AHSFA Executive Director, 703-409-4355.