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## Memorandum

Date: October 3, 2019

Subject: INFORMATION: Audit Announcement | FAA's NextGen Delivery Study  
Project No. 19A3007A000  
Federal Aviation Administration

From: Matthew E. Hampton  
Assistant Inspector General for Aviation Audits 

To: Director, Audit and Evaluation

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The Federal Aviation Administration's (FAA) Next Generation Air Transportation System (NextGen) is a multibillion-dollar modernization effort to implement new technologies and capabilities for managing air traffic. NextGen's goal is to significantly increase our air transportation system's capacity, efficiency, and performance to benefit airlines and the flying public. FAA's plans and vision for NextGen have evolved over time, and currently the Agency plans to implement all major systems by 2025. According to FAA, NextGen is forecasted to produce an estimated \$160 billion in benefits at a cost of over \$35 billion to FAA and airspace users.

Since 2007, our office and others have identified a number of challenges to implementing NextGen programs and capabilities. These challenges have led FAA to revise its projected benefits for NextGen multiple times. Given concerns over the progress and benefits of NextGen, the FAA Reauthorization Act of 2018<sup>1</sup> mandated that our office study the potential impacts of a significantly delayed, diminished, or completely failed delivery of FAA's NextGen initiative.

Accordingly, our audit objectives are to (1) compare current expected benefits of NextGen to the original projections, (2) identify the changes in NextGen programs and capabilities that have caused the benefits to be revised, and (3) identify lessons learned from developing and implementing significant air traffic modernization programs.

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<sup>1</sup> Public Law No. 115-254 (2018).

We will conduct our work at FAA Headquarters and other relevant sites. We plan to begin the audit later this month and will contact your audit liaison to schedule an entrance conference. If you have any questions, please contact me at (202) 366-1987 or Nathan Custer, Program Director, at (202) 366-5540.

cc: DOT Audit Liaison, M-1  
FAA Audit Liaison, AAE-100