

Philadelphia International Airport



Statement of John Meenan
Executive Vice President and COO
Air Transport Association of America, Inc.
before the
United States Senate
Appropriations Subcommittee on
Transportation, Housing and
Urban Development and Related Agencies



AIR TRANSPORT ASSOCIATION

On behalf of the Air Transport Association¹, let me begin by thanking the subcommittee for the opportunity to appear at today's field hearing. The level and quality of air service to and from Philadelphia is of vital importance to us and we look forward to discussing both the ongoing airspace redesign and airline scheduling practices.

As to the former, as the subcommittee is aware, the Federal Aviation Administration (FAA) has undertaken a multi-year, four-stage project to re-engineer the way the nation's airspace is utilized in the New York/New Jersey/Philadelphia Metropolitan Area. This project has been in development for ten years and has been the subject of an extensive environmental review. It is critically important.

Why? The airspace under review is among the most heavily congested in the United States. This is not surprising given that the aviation marketplace in the metroplex both fuels and benefits from the vibrant economy of the region. What is surprising, however, is the fact that the way this airspace is currently being managed is based on aircraft performance characteristics and air traffic control technologies dating to the early 1960s.

As a result, the way the airspace is managed is extremely complicated – and that complexity leads to avoidable delays. By re-engineering the airspace to take greater advantage of modern aircraft climb capabilities, improved speed, higher altitude capability and more precise navigation technology – and by better integrating the way the airspace is managed in relation to adjoining airspace – we can move more aircraft even more safely and with greater efficiency. Aside from the obvious benefit of reduced delays, the FAA projects a drop in people exposed to noise levels above 45 DNL of 619,000 and a reduction of aircraft emissions by 20 percent. In an era of \$4 per gallon jet fuel, of course, we would also welcome the associated reduction in fuel burn.

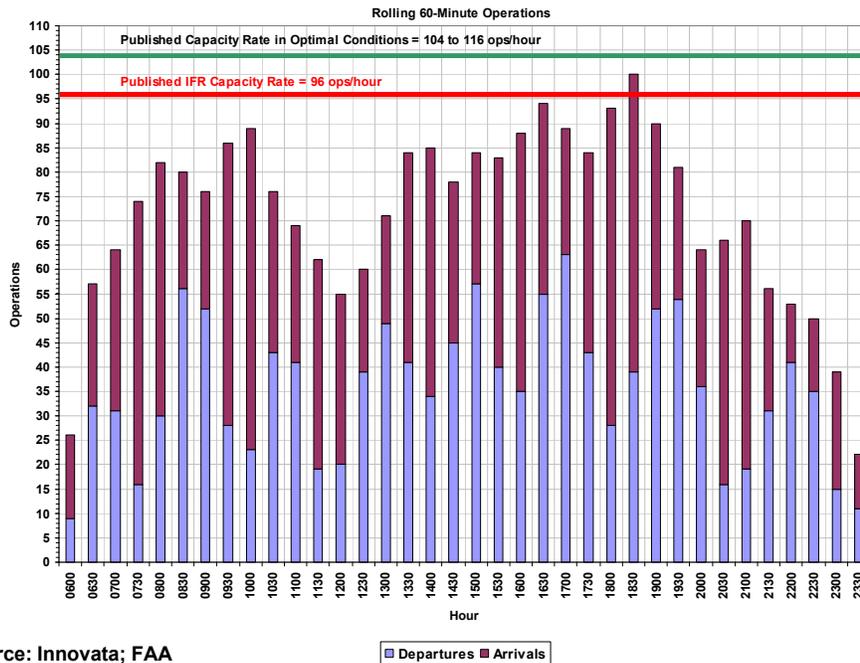
In addition to these benefits, the redesign is also intended to reduce and improve the balance of air traffic controller workload by permitting the more efficient flowing of traffic through the airspace. It will enhance departure capabilities with additional headings – a key to reducing delays – and provide greater flexibility in routing aircraft during significant weather events.

We are, of course, also mindful of concerns expressed about airline scheduling and the often expressed concern with “over-scheduling.” To return the focus to \$4 per gallon jet fuel for just a moment, I would simply note that airlines are intensely motivated to schedule flights to meet public demand for air transportation – they are seeking every passenger (or shipper) possible. Excess capacity or over-scheduling makes no sense.

How does this reflect itself at Philadelphia International Airport? The FAA's published capacity rate for the airport under optimal conditions is between 104 and 116 operations per hour. Under instrument flight rule (IFR) conditions that rate drops to 96 per hour. Looking at projected June 2008 airline schedules, reflecting the busiest travel season, there is only one hour in which scheduled operations exceed (by 4) the published IFR capacity of the airport. At no point do scheduled operations exceed the optimal conditions rates. These levels of demand are consistent with what Philadelphia Airport is capable of handling.

¹ ATA airline members are: ABX Air, Inc.; AirTran Airways; Alaska Airlines, Inc.; Aloha Airlines, Inc.; American Airlines, Inc.; ASTAR Air Cargo, Inc.; Atlas Air, Inc.; Continental Airlines, Inc.; Delta Air Lines, Inc.; Evergreen International Airlines, Inc.; Federal Express Corporation; Hawaiian Airlines; JetBlue Airways Corp.; Midwest Airlines; Northwest Airlines, Inc.; Southwest Airlines Co.; United Airlines, Inc.; UPS Airlines; and US Airways, Inc. ATA Airline Associate Members are: Air Canada, Air Jamaica Ltd. and Mexicana.

Philadelphia June 2008 Schedule Scheduled Operations vs. Published Capacity Rate



The data is also strongly suggestive that these schedules are driven by consumer demand. The best indicator is to look at the load factors expected on flights at Philadelphia Airport. For the June 2008 schedule cited, looking back to last summer offers the best picture of what to expect this summer. What we see is that the average load factor for the two largest carriers operating at Philadelphia Airport exceeded 84 percent for this time frame. That is an extraordinarily high percentage of filled seats on each and every flight and we have every reason to believe that will be equaled if not exceeded this summer. Rather than over-scheduling it would appear that the carriers are hitting the mark in meeting the market demand.

WN/US Average PHL Load Factors	
June 07	84.16
July 07	84.43
August 07	83.37

In conclusion, the stakes for airspace redesign are high. This is a program with tremendous potential to pay noise, emissions, reduced fuel consumption and delay reduction dividends. Properly implemented, the long-term benefits to the regional and national economies are tremendous and we look forward to working with the FAA, the controllers, the airport, the community and all interested stakeholders to assure that those benefits are realized.

Thank you and I would, of course be pleased to respond to any questions.