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AIRLINE AND AIRPORT HOLIDAY TRAVEL PREPARATIONS

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HEARING

BEFORE THE

SUBCOMMITTEE ON AVIATION

OF THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

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November 14, 2007

SUMMARY OF SUBJECT MATTER

TO: Members of the Subcommittee on Aviation

FROM: Subcommittee on Aviation Staff

SUBJECT: Hearing on Airline and Airport Holiday Travel Preparations

PURPOSE OF HEARING

The Subcommittee on Aviation will meet on Thursday, November 15, 2007, at 10:00 a.m., in room 2167 of the Rayburn House Office Building, to receive testimony regarding airline and airport holiday travel preparations. This hearing is the third in a series of hearings on airline consumer protection.

Background

The first half of 2007 has been the worst for airline delays since the Department of Transportation ("DOT") Bureau of Transportation Statistics ("BTS") started keeping comprehensive aviation statistics 13 years ago: through August, only 72.2 percent of flights were on time.[1] According to the Federal Aviation Administration ("FAA"), delays are up 20 percent since last year, and traffic is up at some busy airports by as much as 50 percent. After summer delays of this magnitude, the Subcommittee is proactively reviewing whether airlines and airports have adequately prepared for the holiday travel season.

While delays have increased, system-wide total airport operations have actually decreased by about 11 percent since 2000. The decline in total operations has been driven largely by a decline in general aviation ("GA") operations. Since 2000, system-wide commercial airport operations have remained relatively flat and system-wide GA operations have decreased by about 17 percent.

[1] A flight is counted as "on time" if it arrived less than 15 minutes later than the scheduled time shown in the carriers' computerized reservations systems.

Even though commercial operations remained flat, they have also become more highly concentrated in certain areas, and greatly increased at some of the nation's largest and busiest airports. While the number of operations is decreasing and becoming more consolidated at some airports, commercial enplanements and demand for air travel is continuing to grow steadily. Airlines have responded to passengers' demand to fly and have scheduled flights to accommodate the increase in demand, particularly in the most desirable markets. In June 2007, BTS data show record load factors for domestic flights (86.4 percent) and for the combined domestic-international system (85.8 percent). Increased load factors mean more crowded planes and a decreased margin for error in case of cancellations or missed connections. In addition, some industry analysts have speculated that the proliferation of smaller, 50- to 90- seat regional jets may also have an impact on delays. The number of regional jets has increased by more than 200 percent since 2000, from 570 in 2000 to 1,746 in 2006.

The Air Transport Association ("ATA") predicts that 27.3 million passengers will fly from November 16 through November 27, 2007, an increase of 3.9 percent over 2006. An average of 2.3 million passengers will travel per day, with the busiest days likely to be November 21, 25, and 26, with an approximate 90 percent aircraft load factor throughout the holiday period.

I. Consumer Protection

Record numbers of people are flying. In 2006, more than 740 million passengers flew in the United States and the FAA predicts this figure will reach one billion by 2015. Flight arrival delays have increased with the growing traffic. Over the last several years, as delays have increased, there have been calls for increased airline consumer service oversight following highly publicized events where passengers have been stranded on aircraft for hours.

In response to a 1999 extended onboard delay in Detroit and subsequent calls for legislative action, members of the ATA, representing the major airlines, offered to improve their customer service voluntarily. The ATA drafted an "Airline Customer Service Commitment" ("Commitment").[2] The ATA carriers agreed to develop individual Customer Service Plans to demonstrate ongoing dedication to improving air travel.[3]

The Airline Customer Service Commitments include:

- Offering the lowest fare available;
- Notifying customers of known delays, cancellations and diversions;
- On-time baggage delivery and return of "lost" bags within 24 hours;
- Supporting an increase in the baggage liability limit;
- Allowing reservations to be held without payment, or canceled without penalty, for 24 hours;
- Providing prompt ticket refunds;
- Properly accommodating disabled and special needs passengers;

[2] On June 17, 1999, Alaska Airlines, Aloha Airlines, America West Airlines, American Airlines, American Trans Air, Continental Airlines, Delta Air Lines, Hawaiian Airlines, Midwest Express Airlines, Northwest Airlines, Southwest Airlines, Trans World Airlines, United Airlines and US Airways signed the Commitment.

[3] JetBlue, which began service in February 2000 and became an ATA member in 2001, was not a signatory to the 1999 Commitment.

- Meeting customers' essential needs during long on-aircraft delays;
- Handling "bumped" passengers with fairness and consistency;
- Disclosing travel itinerary, cancellation policies, frequent flyer rules, and aircraft configuration;
- Ensuring good customer service from code-share partners; and
- Being more responsive to customer complaints.

By June 2001, most of the 14 ATA member airlines voluntarily incorporated the ATA customer service commitments into their contracts of carriage. A contract of carriage is the document air carriers use to specify legal obligations to passengers. Each air carrier must provide a copy of its contract of carriage free of charge upon request. The contract of carriage is also available for public inspection at airports and ticket offices.

Following the December 2004 holiday period, the DOT Inspector General (IG) released a *Review of December 2004 Holiday Air Travel Disruptions* report, which appraised airline customer service issues as they related to severe air service disruptions in parts of the United States, focusing on issues related to Comair and US Airways flights. During the seven-day holiday travel period, almost 50 percent of all flights were either delayed or cancelled. Comair, based in Cincinnati, Ohio, was not prepared for the severe weather and either canceled or delayed 89 percent of its scheduled 2004 holiday travel period departures. The DOT IG found that severe weather, coupled with a failure of Comair's crew scheduling computer system, caused the disruption, which ultimately affected over 260,000 passengers. The DOT IG report also found that US Airways' problems centered on staffing shortages during the holiday travel period, especially at its Philadelphia hub. As a result, 53.8 percent of US Airways flights were delayed, 5.2 percent were cancelled, and tens of thousands of bags were misdirected.

More recently, thunderstorms on December 29, 2006, severely impacted American Airlines operations at the Dallas Fort Worth International Airport, diverting many flights and shutting down the airport for nine hours. On February 14, 2007, an ice storm crippled JetBlue's operation at New York City's John F. Kennedy and LaGuardia airports and led to nine planes being stuck for more than five hours on the tarmac, with one of those planes delayed for ten hours.

Soon after the February 14, 2007, incident, Secretary of Transportation Mary Peters asked the DOT IG to review these two recent cases and examine the airlines' customer service commitments, contracts of carriage, and policies regarding extended ground delays aboard aircraft and to provide an assessment on why the American and JetBlue delays occurred. Secretary Peters also requested recommendations for what airlines, airports, and the Federal Government can do to prevent such situations in the future. On September 25, 2007, the DOT IG released its report recommending the following:

- Airlines should define what constitutes an "extended period of time" for meeting passengers' essential needs and setting limits for delay durations;
- Airlines should establish specific targets for reducing chronically delayed or cancelled flights;
- Airlines should disclose on-time flight performance on websites and without prompting at the time a ticket is purchased;
- Airlines should self-audit customer service plans;

- BTS should make changes to its information collection to adequately capture all events resulting in long, on-board delays, such as flight diversions;
- Airports should establish a process for monitoring lengthy, on-board delays;
- DOT should establish a national task force of airlines, airports, and FAA to develop and coordinate contingency plans to deal with lengthy delays;
- DOT should conduct incident investigations involving long, on-board ground delays; and
- DOT should direct the Office of Aviation Enforcement and Proceedings to ensure that airlines comply with their public policies governing long, on-board delays.

On September 26, 2007, the Subcommittee on Aviation held a hearing on airline delays and consumer service. During the hearing, Chairman Costello requested that the DOT IG prepare an "after action" report on airline delays during the summer of 2007, as well as review progress by DOT, FAA, airlines, and airports to implement the actions outlined in the September 25 report. The DOT IG is expected to complete the "after action" report by February 15, 2008.

II. Holiday Preparations

Airlines

According to ATA, in preparation for holiday travel, air carriers are offering customer service enhancements, such as encouraging passengers to use online check-in procedures and self-service check-in kiosks at the airport as well as signing up for automated travel notification services (via cell phone or wireless device). Airlines are adjusting staffing levels to meet the demands of increased traffic during this period, including staff to expedite check-in and boarding. Airlines will begin boarding earlier for full flights and some airlines are blocking seats in key markets on peak holiday travel dates for use to re-accommodate passengers whose flights are cancelled or delayed due to bad weather. Some carriers are installing self-service kiosks on the secure side of airports for flight rebooking and waiving charge fees for customers whose plans are affected by weather delays, irregular operations or mechanical difficulties. Several air carriers are increasing connection times during peak travel periods and upgrading in-flight food offerings.

Airports

According to airport associations, during the holiday season, many airports increase parking personnel, maintenance staff for basic services, law enforcement to control traffic flow at curbside, and encourage airport concessionaires to increase their staff on heavy holiday travel days. Many airports have staff and volunteers available to inform travelers entering secure areas of the three-ounce liquid and gel rule and provide complimentary one-quart bags.

FAA

As the holiday travel season approaches, FAA managers are working to ensure facilities are well staffed to handle the increase in flights. The FAA establishes a maintenance moratorium over Thanksgiving and Christmas holidays. During the moratorium, the only work that is permitted is equipment repair and certification as part of regular safety checks and no preventive maintenance is performed during the moratorium. In addition, nonessential FAA construction and renovation

projects that potentially impact operations are curtailed over the holidays. The FAA has also updated contingency plans across the country. Should a telecommunications or other equipment outage occur, the FAA has back-up plans to transfer air traffic control services to other facilities.

During the holidays, the FAA continues its regularly scheduled planning teleconferences with its customers to manage operational challenges as they arise. There are a number of traffic management initiatives that the FAA uses to accommodate the increased demand during the holiday season including the Ground Delay and Airspace Flow Program Compression, a computer program that automatically identifies slots that might go unused and moves other flights into those slots.

TSA

This holiday season, the Transportation Security Administration ("TSA") states that it is fully staffed and prepared for record crowds this Thanksgiving through the optimization of schedules and passenger traffic flow. TSA recently started a program called SimpliFLY to educate passengers with media outreach and signs at checkpoints to pack smart, dress appropriately for screening and be prepared for security before leaving home. TSA is also partnering with local airports and airlines to provide information to travelers about making the security checkpoint process as fast and efficient as possible and is providing videos of correct security procedures to be shown on monitors at airport checkpoints.

III. H.R. 2881, the "FAA Reauthorization Act of 2007"

The recently-passed H.R. 2881, the "FAA Reauthorization Act of 2007", contains several provisions to enhance consumer protection including:

- Mandating that air carriers and airports submit emergency contingency plans and detail in their plans how they will allow passengers to deplane following excessive delays. DOT can assess a civil penalty against an air carrier or airport that fails to adhere to an approved contingency plan.
- Requiring schedule reduction meetings to be held by the FAA if aircraft operations of air carriers exceed hourly maximum arrival and departure rates and are likely to have a significant adverse effect on the national or regional airspace system. If there is no agreement to reduce schedules, then the FAA shall use its administrative power in this area.
- Establishing an Advisory Committee for Aviation Consumer Protection at DOT.
- Reviewing air carrier flight delays, cancellations, and associated causes by the DOT IG.
- Requiring DOT to issue denied boarding compensation final regulations within one year, with such rates appropriately adjusted.

WITNESSES

Mr. Richard Anderson
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Delta Air Lines

Mr. David Barger
Chief Executive Officer
JetBlue Airways Corporation

Mr. Edward P. Faberman
Executive Director
Air Carrier Association of America

Ms. Krys T. Bart, A.A.E.
President and CEO
Reno-Tahoe International Airport &
Chair, American Association of Airport Executives

Mr. Gregory Principato
President
Airports Council International -- North America

AIRLINE AND AIRPORT HOLIDAY TRAVEL PREPARATIONS

Thursday, November 15, 2007

HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
SUBCOMMITTEE ON AVIATION,
Washington, DC.

The Subcommittee met, pursuant to call, at 10:00 a.m., in Room 2167, Rayburn House Office Building, Hon. Jerry F. Costello [Chairman of the Subcommittee] Presiding.

Mr. COSTELLO. The Subcommittee will come to order.

As Chair of the Subcommittee, I will ask all Members, staff and everyone in the room to turn off electronic devices or to put them on vibrate.

The Subcommittee is meeting today to hear testimony on airline and airport holiday preparations. I will give an opening statement and will then recognize our Ranking Member.

Mr. Petri is over in the Education and Labor Committee. He was with us earlier. He will join us a little bit later on, but until he arrives, Mr. Coble from North Carolina will be the Ranking Member for this hearing.

I want to welcome everyone this morning to our Subcommittee hearing on airline and airport holiday travel preparations. This hearing is the third in a series of hearings on airline consumer protection.

The Air Transport Association forecasts that 27.3 million passengers will be boarding planes during the 12-day holiday travel period that starts on November 16 and ends on November 27, a 4 percent increase from last year. An average of 2.3 million passengers will travel each day with about a 90 percent aircraft load factor.

This increase in traffic comes at a time when airlines and their consumers have been experiencing the worst on-time delays through August. More than one in every four flights were delayed. Long onboard-Tarmac delays have increased by almost 49 percent from 2006, and delays of 5 hours or more have increased by 200 percent.

The nonweather-related delays and the increasing number of consumer complaints that passengers filed this summer are unacceptable. We are holding this hearing today in an effort to inform the traveling public about what the airlines and the airports are planning to do to ensure that consumers do not experience lengthy delays during this busy holiday travel season.

While the FAA and the DOT have had numerous closed-door meetings on ways to reduce congestion and delays, Secretary Peters declined to come to this hearing today to tell the traveling public what this administration is doing to ensure a safe and an efficient holiday travel season. It is very unfortunate that the administration would not allow the Secretary to be here today to talk to the traveling public, to tell the public what this administration and the FAA is doing in conjunction with the airlines and the airports to, in fact, address what may be a very busy holiday season.

I am pleased, though, that two airline chief executive officers, both Richard Anderson from Delta Air Lines and David Barger from JetBlue Airways, are here to discuss how their respective carriers are preparing for the holiday travel season and what consumers can expect.

I am also interested in hearing more about what our airports are doing to ensure the safety and comfort of passengers while they are in the terminals. One of the lessons learned from both the American Airlines and JetBlue incidents last winter was that airlines and airports need to work together to get passengers on and off the aircraft as quickly as possible to reduce lengthy Tarmac strandings.

The traveling public saw firsthand this year the serious problem our current system has with congestion and delays, which affect passengers and the quality of service. In H.R. 2881, the FAA Reauthorization Act that passed the House of Representatives, we addressed many of these issues to better protect consumers and to reduce congestion and delays. It was my hope that we would have the FAA Reauthorization Bill that passed the House of Representatives earlier this year enacted into law and signed by the President by now, but unfortunately, the other body, the U.S. Senate, has yet to act on its version of the FAA Reauthorization Bill.

The airlines, airports and the Federal Government must work together to make certain that consumers get to their destinations safely and efficiently during this busy holiday season.

With that, I would like to, again, welcome all of our witnesses.

Before I recognize Mr. Coble for his comments, I would ask unanimous consent to allow 2 weeks for all Members to revise and to extend their remarks and to permit the submission of additional statements and materials by Members and witnesses.

Without objection, so ordered.

At this time, the Chair would recognize the gentleman from North Carolina, Mr. Coble.

Mr. COBLE. Thank you, Mr. Chairman. If it pleases the Chair, Mr. Mica has another place to go. If he could go now, I could follow him, if that is okay with you.

Mr. COSTELLO. The Chair would be happy to recognize the Ranking Member of the Full Committee and the former Chairman of this Subcommittee, my friend, Mr. Mica from Florida.

Mr. MICA. I would like to thank you for yielding to me. I appreciate your leadership and also for your convening this hearing.

I also see Mr. DeFazio, who did a great job on the Aviation Subcommittee as the Ranking Member. We have been working together for many years, trying to improve passenger service and also security for the flying public.

Today is sort of a bad news day for the flying public. They are going to get some grim predictions, probably, of the situation we face with the crowded and congested airways and airports. Across the hall, I am leaving in just a minute to participate in a Government Reform investigative hearing on the failure of TSA's screening of passengers. So it is not a very good news day.

Secretary Peters is not here, and it is my understanding that the administration will announce shortly some measures to deal with holiday traffic and also to deal with consumers who are sort of left in the lurch by the congestion that they are facing. Several of these improvements are overdue.

One is going to be, as I understand it, a requirement for some increased compensation for passengers who are inconvenienced or delayed at the responsibility of the airline, and I think that that is important. Airlines have to step up to the plate to deal with consumers who have been abused. It has been sort of a one-way street, unfortunately, to date, where the passenger is sort of left in the lurch and is not compensated, and then when something goes wrong, the passenger is inconvenienced or loses time and money. So I think that is a positive step.

I think, also, some news will be forthcoming on improvements in air traffic control capability. We do have needs of placing additional air traffic controllers and also in dealing with the traffic. I am pleased the administration has also been meeting with the airlines—we will hear about that in a few minutes—on issues of congestion at some of the choke points, particularly the Northeast airports and JFK in particular. We had previous hearings on that. So I think that they are making some progress and are talking.

Even with the next generation air traffic control, which at the very best estimates is some—I would say, if everything went right and if Congress appropriated all of the money, getting the next-generation air traffic control system in place is at least 15 years off. However, we have moved forward with the first of the ground stations. The contract has allowed for that. So there is some good news, but there is some very bad news for folks who think there is going to be a quick cure to the congestion.

The other thing that I wanted to mention again is that there is no silver bullet to deal with this. The system is straining; it will continue to strain. We are going to have to have mechanisms for the private sector. Hopefully, Government will not try to be a regulator in what should be a market-driven situation. But we can do a better job as the regulators in, again, protecting consumer interests and in trying to get our airways opened up just like we have opened up our highways and in making certain that we have the air traffic controller staffing that we need.

Finally—this is more of the bad news. We are going to discuss this. I am going across the hall. Mr. Waxman and I usually do not agree on a lot, but I am so pleased that Mr. Waxman is looking into the failure of the Transportation Security Administration to find bombs, weapons and explosive materials that pose a great danger to us. Congestion may be bad, but to have planes blown out of the sky would be absolutely horrible. The failure of TSA to take measures to improve and also to relay to the public the situation we are in right now I think is unconscionable.

I am hopeful that we can get in place additional measures. We have 19 layers of security. I think that what Mr. Waxman is doing in revealing some things, not just this story of the failure by TSA inspectors but by the GAO inspectors that—incidentally, Mr. Costello, when we sort of passed this over, I don't know if you recall that meeting, and I don't know if you were there, but they sort of pooh-poohed the tests, and the tests had been validated by the GAO, that they could, in fact, take down aircraft. And we do believe that this is the next step the terrorists are looking at. So we have to get these improvements in place.

The final of the 19 elements of protection in a layered security system is the flying public. And the public needs to be alert that the system faces potential danger, and they may be our last line of defense in this. In fact, our congested planes and full planes may be some of our best protection with a knowledgeable public to know that people may want to do us harm, and so they will be on the lookout for those dangers.

So a lot of bad news. There is, hopefully, a little good news with the great public as our final line of defense.

I yield back.

Mr. COSTELLO. I thank the gentleman. It is a very serious problem, and we are pleased that Mr. Waxman's Committee is looking into the matter.

Back to the topic at hand, though, which is airline and airport holiday travel preparations. Let me recognize at this time the gentleman from Oregon, Mr. DeFazio, for any comments that he may have.

Mr. DEFAZIO. Thank you, Mr. Chairman. I will divert from the agenda just for a moment to respond to the Ranking Member.

We have been holding ongoing hearings in Homeland Security on this issue, and the gentleman is aware that we are running a system with 1970s technology. The screeners today—a lot of people are knocking the screeners. It is not the screeners. They are better-trained; they are professional. The tests are much more sophisticated that they are being asked to use, but they are working with 1970s technology. This administration and the previous Republican Congress refused to buy and, in fact, cut the budget for enhanced equipment and for more screeners. We are trying to rectify that.

There is now millimeter wave technology. We need body-scanning. We need three-dimensional. We need the same kinds of machines at the airports that you put your luggage through or your baggage through as you walked in here today into the office building and when you go downtown to any building. But we do not have those in the airports because the administration has refused to buy them. So it is a shame, both for security issues and for customer service issues, that the administration is not here today. That is a key part of answering this problem.

Yes, we can have a market-based approach, and we can make a lot of improvements there. Consumers are not getting a lot of meaningful information. If you take a scheduled flight at a time that is very convenient for you, it just happens that a lot of other people feel it is convenient. And many airports are scheduling more flights or airlines that can take off during a given hour, and customers do not know that. So, yes, you have a theoretical flight at

9 o'clock in the morning, but 90 percent of the time it is not leaving at 9 o'clock in the morning. But it is hard to find that information in a meaningful way.

So forget about a market-driven system. We need to have a much more transparent process for customers to understand better what their rights are and, you know, what contingencies relate to their flights.

I would congratulate the Chairman on a number of measures which he put into the FAA Reauthorization, which is, unfortunately, languishing in the Senate.

The other side of the equation is the ″R″ word. Now, I know this administration hates that, but there has to be a light touch of regulation in solving these problems. They have begun to convene some meetings, very belatedly, to talk about overscheduling and other issues, but you cannot run this system just with a market-based approach, particularly when consumers are deprived of meaningful information.

I hope, today, we are going to hear some real steps forward by the airlines. We have several times approached this issue. We almost put in passenger rights in 2000. Then Bud Shuster negotiated the voluntary measures with the airlines, which, unfortunately, failed us pretty miserably in the last year and a half or so. And so we need to hear where we go from here, in addition to, obviously, getting the Chairman's FAA bill passed through the Senate, so we can put some meaningful protections in place.

Thank you, Mr. Chairman.

Mr. COSTELLO. I thank the gentleman.

The Chair now recognizes the gentleman from North Carolina, Mr. Coble.

Mr. COBLE. Thank you, Mr. Chairman. I will be brief.

At a previous Aviation Subcommittee hearing, Mr. Chairman, I shared with the audience a conversation I had with a constituent some weeks ago. He said to me, ″Heretofore, my least favorite place to be was in my dentist's chair.″ He said, ″Now my least favorite place to be is at an airport.″

I hope the testimony we hear today, Mr. Chairman, will make dental visits less appealing and root canals less appealing and airport visits less frustrating and less demanding.

The constituent said to me, he said, ″When I go to an airport, I know the chances of a cancellation or a delay are excellent.″ And he was very frustrated, blaming me for it, just as he would probably blame you for it. So I hope that these problems will be assuaged as we hear from our witnesses today.

And I thank the Chairman.

Mr. COSTELLO. I thank the gentleman.

The Chair now recognizes the gentleman from Tennessee, Mr. Duncan, for any comments that he may have. Then, after Mr. Duncan's comments, we will recognize and go to the witnesses for their testimony.

Mr. DUNCAN. Well, thank you very much, Mr. Chairman, and thank you for calling this very important hearing and for trying to do all that you can to make sure that we hold these problems down to a bare minimum.

I also agree with Mr. DeFazio. I appreciate some of the things that you have put into the FAA bill. There is just no excuse, for instance, for any airline to leave people on the runway for several hours like we have heard, but those are extremely rare instances.

You know, I have mentioned before that I heard an NPR news report several years ago that said, in the Russian Aeroflot system, they sometimes had delays as long as 4 days. You know, people would come to the airport, and they would find out that their plane is not flying that day. And we get upset if there is a delay of 40 minutes. I think that people are going to have to realize that a big, big percentage of these delays is caused by weather.

Overall, I am going to say that I am amazed that the airlines do as good a job as they do. Could they do better? Yes. Everybody should always be trying to do more and to do better, and the airlines need to improve. But I am amazed that so many flights run on time, on schedule and that we have as good a service as we do.

There are some things that we can do as Congress, and there are some things that they can do as airlines. I have always said that, unfortunately, you know, of people who fly all the time, as we do, as most of us do, if we have 98 or 99 good flights and one really bad one, the one that we always talk about is the one bad one.

So I appreciate what the airlines do. I want to work with you, Mr. Chairman, and with the airlines to try to make a great system even better. Thank you very much.

Mr. COSTELLO. I thank the gentleman from Tennessee.

Let me say that the airlines are here this morning and the representative from the airports to tell us exactly what they are doing to prepare for the holiday travel. We anticipate unprecedented numbers of passengers traveling during this 12-day holiday period. We also anticipate, with load factors, that 90 percent of the seats on these airplanes will be full.

We realize that there is nothing that anyone in this room can do about weather, but there is something that airports and airlines can do about informing passengers, about communicating with passengers when there are weather delays and nonweather delays. And that is the purpose of this hearing, is to tell us what they are doing in terms of having additional staff for the holiday season, additional equipment and things of that nature.

Last, before I introduce our witnesses, I would ask both our airline executives and others who are in this room who are stakeholders—and all of us are, as passengers—to contact our friends in the other body, in the United States Senate, and tell them how important this reauthorization bill is and how important it is to move legislation that will provide adequate funding, as we have in the House bill, that will move the air traffic control modernization forward. Unfortunately, as we have said earlier, it is in the Senate and has very little hope of getting on the agenda to pass out of the Senate before the end of the year. But I would ask everyone to contact our friends in the Senate and to tell them how important it is.

With that, let me recognize and introduce our witnesses. I will recognize each witness under the 5-minute rule.

You should know that your entire statement will be entered into the record. We would ask you to summarize it in 5 minutes so that

we can get to Members asking questions and enter into a discussion about various issues.

The first witness will be Mr. Richard Anderson, who is the chief executive officer of Delta Air Lines; then Mr. David Barger, who is the president and chief executive officer of JetBlue Airways Corporation; Mr. Ed Faberman, who is the executive director of the Air Carrier Association of America; Ms. Krys Bart, who is the president and chief executive officer of the Reno-Tahoe International Airport and the chair of the American Association of Airport Executives; and Mr. Greg Principato, who is the president of the Airports Council International for North America.

Mr. Anderson, you are recognized for 5 minutes, please.

TESTIMONY OF MR. RICHARD ANDERSON, CHIEF EXECUTIVE OFFICER, DELTA AIR LINES; MR. DAVID BARGER, PRESIDENT AND CHIEF EXECUTIVE OFFICER, JETBLUE AIRWAYS CORPORATION; MR. EDWARD P. FABERMAN, EXECUTIVE DIRECTOR, AIR CARRIER ASSOCIATION OF AMERICA; MS. KRYS T. BART, PRESIDENT AND CHIEF EXECUTIVE OFFICER, RENO-TAHOE INTERNATIONAL AIRPORT, CHAIR, AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES; MR. GREGORY PRINCIPATO, PRESIDENT, AIRPORTS COUNCIL INTERNATIONAL-NORTH AMERICA

Mr. ANDERSON. Thank you, Mr. Chairman and Members of the Committee. It is a privilege to be here today representing the 50,000 professionals of Delta Air Lines and to share with you our plans for this holiday season to be certain that we continue to deliver consistent, reliable and good air transportation to our customers. We share the goals and objectives of the Committee.

My testimony will also provide to you an update on ongoing discussions with the Department of Transportation and FAA concerning congestion and delays in New York.

In order to meet the needs of the 1.8 million customers who will fly on Delta Air Lines during the Thanksgiving week, we have developed a comprehensive plan to deliver safe, reliable and excellent customer service. We are fortunate to have great, great employees at Delta who are committed to serving customers every day.

And I would note that Delta is the number-one on-time airline year-to-date in 2007 among the major network carriers, both in arrival performance and departure performance. So we intend on continuing that great level of service.

Weather and air traffic control, obviously, have a significant influence on the execution of our plan, so a key component of our plan is preparing for uncontrollable contingencies—a lot of preplanning and close communication with our passengers.

During each regular operating day, our Operations Control Center holds extensive planning sessions to pre-identify potential delays and congestion and selectively thinning or canceling flights and then rebooking affected passengers. As I am testifying today, our Operations Control Center is also leading holiday-specific discussions to continue to evaluate our crew staffing, equipment availability, aircraft positioning, parking coordination, cold weather

plans, regional partner preparedness, and coordination with the air traffic control system. As the holiday season nears, our OCC will step up communications with each Delta station and will continue that dialogue on a daily or even on an hourly basis throughout the season.

I would note that our preparation has a long and consistent record over the holidays. I went back and took a look at our performance in 2006. Delta Air Lines ran a 99.8 percent completion factor 1 year ago during the 10-day Thanksgiving travel period, with arrival within 14 on the domestic system of 87 percent. So we have a proven track record of being able to very effectively handle the large passenger loads while delivering industry-leading customer service.

To ensure our equipment is in top condition and can be returned to service quickly during the holidays, our maintenance division is fully staffed through the holidays. And we have included 87 extra sections—that is extra sections in the schedule on highly traveled routes—to be certain that we have the capacity to accommodate your regular operations.

Our Delta leaders across the system will not be on vacation. They will be in the airports and in our operating centers and in our maintenance centers, engaged and visible, assisting our capable frontline employees and our flight crews and our flight attendants in delivering high levels of customer service. We have a full complement of pilots and of flight attendants on reserve status. And we have taken steps to be certain that we have sufficient crews in the event of irregular operations.

We have communicated information about our load factors to the TSA and to the FAA so that they can plan staff accordingly. This should help our customers avoid extended delays at security checkpoints or during Immigration and Customs inspections.

As I mentioned before, we plan extensively to prepare for and to avoid extended ATC and weather-related delays. However, if they occur, we have also made extensive preparations to care for affected passengers. At airports like JFK, these include close coordination with the Port Authority to bring flights with extended ground delays to the gate.

On that subject, we have endorsed the DOT Inspector General's recently released recommendations to improve customer experience in the face of extended delays. We place a very high priority on ensuring our customers have the best experience possible on our flights, and we felt it very important to be the first airline to endorse the Inspector General's recommendations.

Let me move very quickly to our commitment to Congress, to DOT and FAA to work with all constituencies in solving the congestion issues in our air traffic control system and particularly in New York. We have worked hard through the ARC process to find acceptable answers to congestion and delays in the New York City airspace and particularly at JFK. JFK has been a very important part of the recovery of Delta Air Lines, and it is the linchpin of our strategy of expanding international service. We are committed to ensuring that this summer and all subsequent summers operate smoothly at JFK. And we believe that there are near-term fixes

and long-term plans that can both be put in place to deliver the levels of customer service that our customers expect.

As you have noted in the recent hearing on congestion and delay, we have already taken steps to reduce our peak flying at JFK and have fully cooperated with the coordination process that the FAA has put in place through the ARC process. We have made voluntary changes in our schedule to reduce completely turboprop flying at JFK. We have, essentially, gone to the largest shell size—or the smallest shell size at JFK will be a 76-seater, so we have taken 50-seaters and propeller airplanes out of the market.

But it is important that the industrywide solution that we reach at JFK is nondiscriminatory and respects the historic rights of carriers like Delta, JetBlue and American that have invested hundreds of millions of dollars and thousands of jobs over the last decades to build their networks at JFK. Delta, in fact, bought its network at JFK from Pan American World Airways for almost $800 million 15 years ago. And we believe that those positions are important positions, and it is important for our employees, as we continue our recovery, to have that important strategic asset available so that we can continue to execute on our strategy.

A number of improvements can be made to increase short-term capacity at JFK, which the FAA recently set at levels back equal to what they were in 1969. We need a New York airspace czar that should be appointed by the FAA to coordinate New York airspace management issues. This worked well in South Florida, where we had these issues a couple of years ago, and we saw a 40 percent decrease in delays.

However, rather than just advancing these kinds of ideas, DOT has advanced a regulatory scheme for JFK that discriminates against U.S. airlines. We compete against 60 foreign-flag carriers at JFK, and only U.S. carriers—Mr. Barger, myself and American—have been asked to participate in schedule reduction. We think that it is only appropriate that if there are going to be schedule reductions, that foreign-flag carriers, who are our biggest competitors at Delta—because two-thirds of the capacity we have added at JFK to international markets are to international markets that no other U.S. carrier flies to nonstop. Our competition are foreign-flag carriers, and they cannot be given an advantage, and they cannot be given an advantage over our employees. It is just not fair. Forcing Delta and U.S. carriers to shrink their operations at JFK prevents us from being able to compete effectively. What we are doing at JFK is novel, and we should have the right to compete fairly.

There is a clear, effective and nondiscriminatory way to manage demand and to reduce congestion at JFK, and it is the International Worldwide Scheduling Guidelines. They are in use in airports around the world. The issues we face at JFK have been experienced at airports around the world, and these rules are fair and nondiscriminatory.

In closing, I give you our commitment and the commitment of all 50,000 employees of Delta and their decades-long commitment to high levels of customer service that we will work fully with this Committee, with the DOT and with the FAA on reforming the air traffic control system, making the investments we need to make

and doing what we need to do to make sure our air transportation system meets the growing demands for air travel. We are committed to finding a solution in New York. We have cooperated fully through the ARC process and will continue to do everything we can to play a constructive role in the schedule coordination activities that FAA is undertaking.

That concludes my statement, Mr. Chairman. And on behalf of all of my colleagues at Delta and of many of my colleagues who were kind enough to take time to come here today, we thank you and give you our commitment that we will continue to do our very best to serve our customers worldwide.

Mr. COSTELLO. Mr. Anderson, thank you. When we get into the question part, we will be asking you specifically in terms of equipment and employees and how many more employees you have added for the holiday season and specific questions like that.

At this time, the Chair now recognizes Mr. Barger.

Mr. BARGER. Thank you. Good morning, Mr. Chairman and Members of the Subcommittee. I am honored to be here on behalf of the 11,000 JetBlue crew members to tell you about JetBlue's readiness for this year's holiday travel season.

My comments this morning will really highlight the February event, being transparent, that we experienced; internal and external changes since that point in time preparing for the holidays; a comment regarding our home base of operations, JFK airport, and certainly our holiday preparedness plans.

Given how we performed during last February's holiday season, I am, candidly, not surprised to have been asked to be here today. That said, I am glad to have the opportunity to share all that we have accomplished over the past 9 months with you.

Last February was a difficult time for JetBlue, as we let our customers down. In fact, to be candid, we failed them. As a result of that well-publicized disruption in our operations, we have instituted many changes to ensure we don't ever repeat that performance. The irony of experiencing this failure as a customer-focused company is not lost on us. Our changes have been both internally and externally focused and, in both cases, dramatic and beneficial.

With that, let me highlight internal changes that we have made at this time.

Since David Neeleman was here last April testifying about our immediate recovery efforts, our founder relinquished his CEO position to focus on JetBlue's long-term vision as chairman of the board. I assumed the role of CEO approximately 6 months ago, and my former position of president and chief operating officer has subsequently been filled by Mr. Russ Chew. I believe many Members are aware of Russ, who has been transforming the FAA's air traffic organization for the past 3 years. Russ is now in place at JetBlue as president and chief operating officer.

Russ, in turn, has rebuilt and has strengthened his entire organization at JetBlue from airport operations to dispatch to system operations to crew services and throughout the organization. In fact, in the short 6 months, Russ has added over 150 years of airline experience through the hiring of four industry executives to help with our SOC, or Systems Operations Center.

All of our new leaders and their colleagues have undergone rigorous training in new protocols, procedures, processes, ranging from the de-icing of aircraft to the communications between aircraft to the communications with dispatchers and between system operations at airports, in other words, interface across our airline.

With that, let me move on to highlight some external changes that we have made over the past several months.

Last February, JetBlue issued an unprecedented customer bill of rights, which I am just holding up for you at this point in time, which superseded anything offered by our competitors or that was being proposed by lawmakers at that time. The provisions of our bill of rights, including its clearly displayed and defined terms and customer compensation levels, were incorporated into our Contract of Carriage, a legally binding document between JetBlue and, in fact, all airlines and customers.

Further, all of the provisions of our bill of rights were posted on the front page of our Web site, not buried where you would have a hard time finding them. In other words, I would like the Committee to know that we have been very transparent, proactive and transparent, regarding our customer goodwill. Most importantly, all of the provisions were made retroactive to aid all of the customers impacted by our Valentine's Day disruption.

At this point, I would just like to comment regarding our home base of Kennedy Airport. JFK, though the center of an ongoing discussion about capacity and scheduling practices, is JetBlue's home. It has been for 8 years. We have invested time, planning and resources to properly grow there. We are on budget and on time to open our new 26-gate, $875 million terminal complex built in collaboration with our partners, the Port Authority of New York and New Jersey. This facility is expected to open within 1 year, and it represents 5 years of a planning process.

I would also be remiss if I did not mention our support for a fair and equitable long-term funding system that can properly finance the sorely needed modernization of our air traffic control system. JetBlue supports the system where all users of the system, private jets and airliners alike, pay fairly for the use of their system.

The key to reducing congestion and delays at JFK and, indeed, throughout the entire New York region and Northeast airspace corridor, is a satellite-based, modernized system that safely maximizes every square inch of the sky. Mr. Chairman, your focus and this Committee's work toward this goal is greatly appreciated, as we have had several meetings on this topic over the past several months.

In closing and in support of our written testimony of holiday preparedness, as one of the Nation's leading providers of low-fare travel, JetBlue has routinely had one of the highest load factors in the industry. Let us face it: People like low fares. Thus, while not every day is Thanksgiving or Christmas or a holiday for JetBlue, most of our days come quite close. With our new policies and procedures in place, with our tremendous investments in training and equipment—for example, doubling the number of de-ice pads at JFK from four to eight pads, our investment in 25 de-icing trucks for this year, as well as 150 new crew members dedicated to de-icing at JFK—and also expanding 600 new customer service crew mem-

bers in the airports across our airline, JetBlue is ready for the holidays.

On behalf of our 11,000 crew members, thank you, Mr. Chairman, for the opportunity to testify today.

Mr. COSTELLO. We thank you, Mr. Barger.

The Chair now recognizes Mr. Faberman.

Mr. FABERMAN. Thank you, Mr. Chairman and Members of the Committee. I am happy to be here today.

My association represents a number of low-fare carriers. In some ways, the numbers of people traveling over the holidays are as a result of more options for travelers, lower fares, so that is a good sign. We are very dedicated to expanding and continuing to grow our operations.

We thank you for holding this hearing and for your dedication to both ATC issues and airline competition.

We have also worked with Secretary Peters and Administrator Sturgell on the JFK scheduling issues and other matters affecting airspace. I will note that it is critical that whatever steps they take should not be steps that close the door to competition. I will note that the IATA guidelines that Mr. Anderson mentioned could very well do that.

Unfortunately, these are not new issues. I am going to read a quick quote for you. ″delays of varying magnitude are encountered at many terminal areas. Congestion at these terminals frequently requires the imposition of traffic flow restrictions, creating backup delays throughout the system. A reduction in air traffic delays can be accomplished only by increasing capacity or decreasing demands.″

Mr. Chairman, that statement was made in 1968 by the then-FAA Administrator, and it was the birth of the high-density rule that was only supposed to be put in place for a couple of years. It has now been in place since that time, and it has, in fact, significantly impacted competition and access.

Our members, since they are growing, they have been constantly making changes, adding staff, doing lots of things to better serve the traveling public. We work closely with airports, but we also need to work and to convince TSA and Customs and Border Protection to provide the staffing and support that are necessary to move people through terminals.

There are a couple of things we are doing, as the other two witnesses said. There is a lot more communication now between airlines and passengers—online, e-mail, phone messages—and those communications will continue. We remind passengers of the TSA restrictions. We do not want passengers to have to throw things away at terminals and have to leave things behind because they have wrapped them wrong or they are two or three ounces too big. We encourage people to show up early, and we remind people about other check-in options.

Some of my carriers have done some other things. AirTran implemented NetTracer, which is a new system that monitors baggage, where it is, in case it is misplaced or put on the wrong flight. Frontier Airlines has at Denver, which is growing significantly, doubled ticket counter positions, has added kiosks. There has been a 17 to 20 percent increase in customer staff. As Dave Barger mentioned,

they have added new runway de-icing equipment and things to clear off parking areas and gates at DIA. Spirit Airlines has done a lot in working with TSA to increase check-in machines and better machines to look at baggage and things like that.

These are all things that had to be done. We can control some things; we can't control a lot of things. And we are trying to make sure that everything is addressed.

I will note that a carrier that may only have five, six or maybe as many as 10 roundtrips at an airport does not have all of the same options as carriers of a lot more operations. You do not have all of the gates available to you. You do not have all of the personnel available to you.

So, while we all want to make sure passengers are treated correctly, in some cases, it becomes a lot more difficult. Particularly in bad weather situations, it is not as easy to cancel. If you have three flights a day, for example, between Denver and National Airport, it is not as easy to cancel and to move flights around and back those flights up.

We look forward to working with this Committee, and we are certainly going to continue to work with the DOT and the FAA on doing what can be done to improve performance or to improve the handling of customers. It is something that we all understand has to be number one behind safety in what we all do. We want those passengers flying again next week, at next holiday season and in the future.

Thank you, Mr. Chairman.

Mr. COSTELLO. The Chair thanks you, and recognizes at this time Ms. Bart.

Ms. BART. Thank you. Chairman Costello, Ranking Member Petri and Members of the House Transportation and Infrastructure Subcommittee on Aviation, thank you for inviting me. It is certainly a pleasure to be here this morning.

I am Krys Bart, and I am the president and CEO of the Reno-Tahoe Airport Authority. And I am also currently the chair of the American Association of Airport Executives, which is the world's largest professional organization representing men and women who run airports.

The Reno-Tahoe International Airport is the 60th busiest commercial airport in the Nation, offering approximately 180 flights per day. It serves as the gateway to the spectacular Reno-Tahoe region, a vacation paradise and a growing business center. In 2006, Reno-Tahoe was ranked as one of the most efficient airports in North America, and we pride ourselves on offering leading-edge customer service.

Mr. Chairman, on behalf of my colleagues at airports around the country, I would like to commend you, Ranking Member Petri, Chairman Oberstar and Ranking Member Mica, for all of your help on H.R. 2881, the FAA Reauthorization Act of 2007.

Airports are particularly grateful that the 4-year FAA Reauthorization Bill would raise the PFC cap from $4.50 to $7 and would authorize a total of $15.8 billion for the AIP program for the next 4 years. I realize I am preaching to the choir here, but both funding provisions are key to helping airports build the infrastructure they need to accommodate increasing passenger levels and the

spikes that will continue to occur during not only this holiday season but many holiday seasons in the future.

The House has done its part in passing H.R. 2881, and I hope that the Senate will follow your good lead. At your suggestion, I will make sure we continue to contact them. With airline delays and passenger complaints at an all-time high, we simply cannot afford to delay funding for critical infrastructure projects any longer.

Mr. Chairman, today, my message is clear: Airports around the country are committed to helping passengers by providing top-notch customer service and by helping airlines and all of the other Federal agencies that we work with to carry out their responsibilities. Raising the PFC cap and increasing AIP funding will help reduce flight delays and passenger complaints in the long term, but I would like to take a moment to discuss some specific actions that various airports are taking today in the short term to prepare for this holiday season.

Although passengers may not notice this, when they pass through the terminal, airport executives work closely with the airlines, the TSA, concessionaires and other tenants to ensure that those entities are prepared for the influx of passengers during the holidays.

As an example, the Chicago Department of Aviation offers a prime example of coordination that takes place behind the scenes before passengers arrive at O'Hare and at Midway. The department works closely with all of its tenants to ensure both airports are prepared to accommodate increased passenger levels during the holidays. When passengers arrive at the terminal, airport personnel throughout the country strive to make their experience at the airport as convenient as possible. Although primary responsibility for passenger and baggage screening rests with the TSA, airports routinely help passengers by mitigating congestion and delays at the security checkpoints and at the airline ticket counters.

At the Reno-Tahoe International Airport, we deploy passenger aides from 4:00 a.m. to midnight to help passengers navigate through the terminal and the security checkpoints. Our customers and our community will be pleased to know that they can find more passenger aides working in the terminal around the holidays and during peak travel periods. When the need arises, we also add all of our management team out in those same areas.

A number of airports around the country have similar programs for passenger assistance. While experienced travelers may not directly rely on these services, assisting the many holidays travelers who are less familiar with airport facilities helps to reduce the wait time for all passengers.

A number of airports also use the Registered Traveler Program to reduce wait times and passenger frustration at security checkpoints throughout the year and during peak travel times. This is particularly good assistance to our business travelers who continue to travel through the holidays. The Registered Traveler Program allows TSA to enhance aviation security and to improve system efficiency by focusing scarce resources on those individuals who represent the highest risk.

At Reno-Tahoe, we began operating the Registered Traveler Program in June. Customers who enroll in our rtGO program present their personal identification card at the security checkpoint and pass through a separate line that expedites the screening process for all travelers, and it allows screeners to focus more intently on potential threats. Although the rtGO program has only been running for less than 5 months, we already have 500 passengers enrolled. These are passengers who also use other airports throughout the country, and currently, there are 13 airports enrolled in the program. We are very excited about this program and are confident that the positive results can and will be replicated in airports across the country.

Many airports have extensive snow-removal plans in place should they be hit with severe winter storms over the holidays. Just like Denver, the Reno-Tahoe International Airport has invested hundreds of millions of dollars in new snow-removal equipment to speed and to expedite that process, to clear runways and to keep aircraft moving.

As many of you may recall, the Denver International Airport was forced to temporarily close on December 20th last year because a severe blizzard caused whiteout conditions. The Denver Airport has spent a great deal of time and money upgrading its snow-removal requirements and equipment to prepare for storms this year. The new plan includes enhanced communication and coordination with the FAA and the airlines. The airport has also been upgrading its snow-removal equipment and plans to use additional personnel and snow-melters to help remove snow as quickly as possible.

When storms cause delays in Denver, Chicago, New York and at other airports, those delays ripple throughout the entire aviation system. At airports like Reno, we feel the ripple effects.

As for passengers who often drive long distances, we encourage them to get critical information about potential delays before they arrive at the airport. Toward that goal, our airport personnel constantly monitor weather around the country for potential delays and make every attempt imaginable to communicate those delays via TV, the Internet and even by phone calls if necessary.

A number of airports also have emergency contingency plans in place should long onboard delays occur during the holidays. For instance, the Baltimore/Washington International Thurgood Marshall Airport carefully monitors airfield activities and coordinates with the airlines when an aircraft is delayed for an extended period of time away from the gate.

Mr. COSTELLO. Ms. Bart, I am going to have to ask you to summarize, please, quickly.

Ms. BART. Thank you. I will.

Let me just conclude by sharing with you that airport executives around the country look forward to continuing to work with Congress, with the administration, with the airlines and with other airport tenants to ensure that we are prepared for the upcoming holiday season.

As I mentioned, we are committed to passengers by providing top-notch customer service and by helping airlines and Federal agencies carry out their responsibilities.

Thank you again for the opportunity.

Mr. COSTELLO. We thank you for your testimony.

The Chair now recognizes Mr. Principato.

Mr. PRINCIPATO. Chairman Costello and Ranking Member Petri, thank you for allowing Airports Council International the opportunity to participate in this important hearing.

My name is Greg Principato, and I am president of ACI-North America. Our member airports enplane more than 95 percent of the domestic and virtually all of the international passenger and cargo traffic in North America. Four hundred aviation-related businesses are also members of ACI-North America.

Holidays feature not only large numbers of passengers but many inexperienced travelers as well. Knowing this, each year airports put into place a number of customer service initiatives to ensure that passengers have a smooth, positive travel experience during the holiday season.

Airports work with local media to provide important information for passengers before they leave for the airport. This includes things like the need to check the status of their flight before they leave home, the availability of parking, as well as if delays are expected due to weather, security issues or air traffic problems. Airports will also be advising passengers to be checking airport Web sites for timely information 24 hours a day.

Additionally, we will remind travelers to decide before leaving home whether to pack their liquids, aerosols and gels into checked bags or to carry them on in three-ounce-or-smaller containers. Many airports provide complimentary resealable bags to help passengers contain these items.

We are also working to ensure that parking booths are open. Some airports may have more shuttle buses and extra staff to assist passengers with automobile problems. Many airports will deploy additional law enforcement officers to monitor and to control traffic flow at the curbside.

Several airport concessionaires, especially food outlets, will increase staff on the heaviest of travel days.

Mr. PRINCIPATO. Many airports are working with local organizations like convention and visitors bureaus and the Red Cross to provide supplies to passengers in need, including in at least one case access to all-night pharmacies to fill prescriptions, if necessary.

In colder climates, of course, where snow is predicted or already falling, airports will have on hand snow removal equipment and implement irregular operations plans.

Ensuring secure and expeditious travel for passengers, as well as providing a high level of customer service is a shared responsibility between airports, airlines, TSA and Customs and Border Protection. However, airports understand the important role we play in addressing passenger needs during ground delays or severe weather.

We have contingency plans in place to work with airlines in assisting passengers when weather or other factors cause irregular operations leading to extended ground delays. We are working in cooperation with our member airports, airlines and Federal authorities to make the current system better, which was the theme

of the last hearing at which I testified; and we've responded to the Subcommittee's urging in this area.

In September, more than 40 industry representatives from 13 airports and 6 major airlines gathered at Dallas-Fort Worth International Airport to facilitate better planning to collectively respond to significant service disruptions affecting passengers. The single most important conclusion was the need for airports and airlines to employ the same techniques that have long been successfully used to plan for emergencies, snowstorms and construction disruptions.

In January, ACI-North America will convene a meeting in Washington, D.C., with representatives from the airports, airlines, FAA, TSA, and CBP to further identify needs and resources necessary to assure high-quality passenger service during major disruptive events.

To quickly process the expected high volume of passengers during the holiday season, it is also critical that appropriate airline and TSA staffing be in place. Airports are already meeting with their airline partners and the Federal security directors at their airports to discuss these important issues and implement plans.

ACI-North America appreciates this Committee's leadership in recognizing that expanding physical airport capacity should be the first priority when responding to airport congestion.

While airports are being proactive in working diligently this holiday season to assure a positive travel experience for our passengers, we believe that H.R. 2881 serves as a long-term solution that will provide airports the financial tools necessary to build critical safety and capacity projects, including new runways, taxiways and terminal space to meet growing passenger needs.

By increasing the ceiling on the PFC user fee to $7, airports can meet the growing passenger demand by planning now to invest in modern, secure and comfortable and environmentally compliant facilities for air travel. And I think it's worth noting that this holiday season will be a snapshot of what every day will be like in just a couple of years, and we need to plan for that.

In closing, ACI-North America and its member airports thank you, Mr. Chairman and Ranking Member Petri, for this opportunity; and we look forward to working with you.

Mr. COSTELLO. We thank you for your testimony.

Mr. Anderson and Mr. Barger, a question for you. I think—of course, I have read your testimony and heard you summarize your written statements in your testimony that you submitted for the record. I would ask that you specifically now address the issue of what you have done differently to prepare for this holiday season versus last year? I think people specifically want to know, both the airlines and the airports, what you're doing differently.

And I note in Mr. Anderson's testimony you indicate that Delta has hired 350 pilots this year, but specifically for this holiday season, how many additional people have you hired or you will be calling out to work that 12-day period? Equipment-wise, are you bringing additional equipment in?

So I would ask you to address that specific question; and, Mr. Anderson, if you'd like to go first.

Mr. ANDERSON. Thank you, Mr. Chairman.

I would first note for the record that in 2006 we ran a very good airline. Delta's completion factor was 99.8 over the Thanksgiving holidays and our arrival within 14 on the domestic system was 87.2. So we know how to do it.

I would note that we have—year over year we're up 350 pilots, 1,300 flight attendants, 2,700 employees in our airport and customer service branch. Our spare airplanes, we normally operate the airline with about 10 to 12 spares, and we have an additional 10 spares over the holidays, and we're running somewhere around 85 to 90 extra sections.

Mr. COSTELLO. Mr. Barger.

Mr. BARGER. Thank you, Mr. Chairman.

And specifically, year over year, as we look at Thanksgiving, the holidays in December and also the peak travel period President's day and into Easter Passover into next year, specifics with our airport groups starting—we have 3,500 crew members—and, again, I work for employees across our system, and that is plus-600 crew members on a year-over-year basis in preparation for the peak travel period.

Our home at JFK Airport, 1,116 of those crew members are based at JFK, and year over year from the standpoint of winter operations, 150 new crew members dedicated to specifically de-icing and anti-icing. I also commented about increased real estate and our investment in de-icing equipment.

Moving over into the reservations area, we've got a group—a complement of 1,600 crew members in our Salt Lake City reservations office, and we're now 20 percent higher on a year-over-year basis with that staffing complement. So it's approximately 300 crew members to handle the telephones, even though most of our tickets are distributed by the Internet.

Pilot staffing is at 850 crew members, in-flight staffing at 2,600 crew members, and our technical component is in place as well. We're supporting 132 airplanes this year. And as we get ready for the peak holiday period I think it's important to note we call really things like vacation and personal time away from the organization—as Mr. Anderson commented, this is not a holiday for management. They will be displaced across our focus cities, including Kennedy and our other bases of operation as well.

So I think we do have a good-news story as we prepare for the peak holiday period this year.

Mr. COSTELLO. From the airport side, Mr. Principato, let me ask you, I said in my opening statement and we have discussed in meetings, both with you and with others, the critical need to communicate between the airlines and airports; and I wonder if you might touch on that. What has been done differently through this holiday season versus not communicating or working with the airlines in the past and anything else that you would like to add.

Mr. PRINCIPATO. Well, I think it's fair to say that, throughout time, airports and airlines have worked very well together airport to airport to deal with situations as they came up. I think, as we talked about the last time I was here, airports working more closely with airlines during irregular operations where maybe a plane's out there on the tarmac for 3 or 4 hours where previously the In-

spector General asked the airports to be more proactive in working with the airlines to deal with that.

The ultimate decision, of course, is the airline's decision about what to do with that plane, but being more proactive to offer assistance, offer buses to get people back—I know at Dulles they will roll those mobile lounges out there to get people back if they need to—helping to get food out and so forth and really just working more closely with the airlines in those irregular situations.

I guess I should also say, in terms of the holidays, I think it's fair to say that airports are really investing an awful lot of people and information in this effort. The more information the traveler has before they get to the airport and then when they're there, the better off we are. The old commercial, back where I'm from in New York, an educated consumer is our best customer for the clothing store up there. That's the way airports are really tackling this and deploying people within the terminal to help passengers who need the assistance. And, also, you know, the more people you have in the terminal you have more strain on the facilities, the restrooms and everything else, and having more staff on hand to help with those things as well and making sure things run smoothly.

Mr. COSTELLO. Ms. Bart, did you want to comment?

Ms. BART. Yes, thank you.

Mr. Chairman, I think it can be summed up in enhanced communication between the airports and the airlines. I think the airline representatives in terms of the local managers and through the use of technology are in constant communication with their operation centers and in constant communication with airport management. That enhanced communication is what truly is helping us avoid unnecessary delays and, quite frankly, from keeping aircraft holding on tarmac because of delays upstream in the system.

Mr. COSTELLO. Thank you.

And at this time, the Chair recognizes the Ranking Member, Mr. Petri.

Mr. PETRI. Thank you very much, Mr. Chairman; and thank you for scheduling this important and timely hearing. I apologize for not being here at the beginning of the session, but it's impossible to be two places at once, and I had to vote over in the Education and Labor Committee. I ask unanimous consent to put an opening statement in the record.

Mr. COSTELLO. Without objection.

Mr. PETRI. And also that a letter from the New York delegation to Secretary of Transportation Mary Peters be entered into the record at the request of Representative Randy Kuhl.

Mr. COSTELLO. Without objection.

Mr. PETRI. Thank you very much.

I have a whole raft of questions, but I just would like to maybe—I know I have 5 minutes, so I'll get through a couple.

The dollar is down, and so international travel, especially from Europe, should probably be up. I know the figures are 4 percent increase, and so it's manageable, but you should be able to tell from ticket sales and other indications if, in fact, there will be a surge of foreign, especially over the Christmas holiday season, people from England and Europe coming to enjoy the good prices on

the east coast and especially in the New York area where we already have a lot of congestion.

Could you comment on it? Do you anticipate that or is it likely to be kind of a normal 4 percent or less increase in pressure, especially in the east coast where we're already congested?

Mr. ANDERSON. Since Delta's the largest carrier across the transatlantic, it's probably appropriate that I answer.

We've seen robust demand continuing across the transatlantic for the services that we've added over the last 2 years to JFK and Atlanta, particularly. And we've seen both the benefit of the changes in currency or the differences in currency, and it has driven very significant demand internationally. In fact, the demand internationally is much greater than domestic demand.

Second, I would note that our demand has been very significant from Africa, the Middle East and India. Those growing economies have really caused a very significant increase.

And so our strategy at Delta has been to be the first U.S.-flagged carrier to provide nonstop service into the heart of Africa, and our goal over the next 3 years is to serve the nine major cities in Africa and to expand into the Middle East.

And so to answer your question, in summary, yes, sir, we've seen very robust demand as a result of the currency differences in part; and, second, we have seen robust demand from unique destinations that we commit service to over the course of the past 2 years and that demand has been much greater than the demand we've seen domestically.

Mr. PETRI. If I could, you may all want to respond, but I just want to say, in a separate area—and there's no one on the panel who's directly responsible for security at the airports in the Transportation Security Administration, but one of the big areas of delay, anticipated or unanticipated, is really not within your direct purview. It has to do with surges at airports and delays in personnel coming on, and suddenly people are missing their flight because they're delayed for an hour instead of 20 minutes or 30 minutes getting through the security and especially with a lot of inexperienced travelers, foreign travelers who may either psychologically or really pose additional problems. This could compound delays for the traveling public.

Could you comment on your consulting with or working with the security people to make sure that they have adequate personnel or you can help expedite that one way or another with your customers?

Mr. BARGER. If I may, Ranking Member Petri, thank you for the question. There's collaboration with the TSA. This is all one dynamic ecosystem; and so we're working with the FAA, working with the TSA, the airport operators in our case. For example, in New York, the Port Authority of New York and New Jersey and many others across our system and the TSA and others, we all have to be working in alignment with each other and interface with each other.

And so, while we continue to do that and we've seen advancement along the lines of collaboration, sharing information such as expected loads and just what we're anticipating on the ground, I

think it goes—it's so important to reinforce the need for the proper capital investment, the proper equipment.

Our new terminal at Kennedy, which, again, we plan to open in about a year, will include $15 million worth of the latest in-line equipment to support what the TSA staff is doing. But it is this—this system does not work properly without the TSA at the table with all other parties making sure that we have a smooth transition through the airport.

Mr. PETRI. One last quick question. If you're—especially an inexperienced traveler, but if you're getting ready to go visit your family for Christmas or Thanksgiving, do you have any advice as to what they should do? Are there numbers they can call or are there ways that they can, you know, interact as efficiently as possible with you and with the facilities at the airport?

Mr. BARGER. If I may, and I believe Mr. Anderson wants to comment as well, but there's—again, I look at this as also a good-news story. There's so many lessons learned with the investment in technology and allowing customers and crew members or families picking up customers to really access information like flight-following information, what's happening with the flight across the country.

The use of technology I think is a very important comment. Of course, calling telephone reservations and interfacing is standard protocol, but also start to see things such as interface with the airport authority such as the Port Authority, what's expected, what type of delays, also the dot.gov Web site. There's many different ways to really gain that information. So I think starting with the technology, but I think certainly the human element is in place as well.

Mr. FABERMAN. I want to add to that and say that almost every airline, almost every airport now has Web sites where you can get information about what to carry on their aircraft, how to best package things. There's a lot more communication than there ever has been.

We're also, as they said, supporting TSA and putting in more equipment and giving people more advice ahead of time.

Mr. ANDERSON. I'd only want to go back to the security question. We don't control the security lines. We have a concern about security lines. We even have days this past fall in Atlanta, non-Thanksgiving travel periods, where we have waits up to an hour in a normal operating day. So we are concerned about what these loads will bring in terms of TSA staffing, and we're doing our best to coordinate with the local security directors to understand what the load factors are going to be.

Mr. COSTELLO. Thank you.

The Chair at this time recognizes the gentleman from Oregon, Mr. DeFazio.

Mr. DEFAZIO. Thank you, Mr. Chairman.

To Mr. Anderson, I applaud you for what I see in your testimony about some of the steps you've taken in terms of customer protections and, in particular, your intention to make much more available on-time performance information and these sorts of tools.

And Mr. Barger, I know that your airline has adopted similar.

Mr. Faberman, what are some of the other airlines doing? Since we don't have ATA here, I've got to turn to you and see what you know about what other airlines are doing.

Mr. FABERMAN. Congressman, I think we're doing many of the same things. We're adding people. We have a lot more customer service people in place.

Mr. DEFAZIO. Are they putting things in the contract of carriage like this? Because that's a valuable tool to customers.

Mr. FABERMAN. Yes, and, you know, we are dealing more and more and more with customers before flights, at the airports; and if they have problems, we're trying to put other things in place.

As I mentioned, one of the carriers has put in a new tracing system for baggage. There's technology out there now that is making it easier, although not easy, to handle all kinds of problems and disruptions. So we're doing a lot of things and including more staffing and equipment.

Mr. DEFAZIO. Okay. And then, Mr. Anderson, in response to your concerns, just so you have a little historic knowledge here, about 4 years ago, the Chairman of the then Transportation Appropriations and then later Homeland Security, Hal Rogers from Kentucky, arbitrarily cut the number of screeners by about 15,000, never—and the Bush administration went along with it.

Mr. Mica and I have asked for years when we had jurisdiction here to give us—given their outmoded technology—you can do security one of two ways: great technology, few people; bad technology, lots of people. We're doing it with bad technology and few people, which leads to these lengthy lines; and we're attempting to challenge the President on this issue this year and raise the funding and lift the cap on screeners for TSA and give them more money for new equipment and would welcome your support in that effort. It's critical, I believe, to safety and security and customer satisfaction.

Mr. ANDERSON. Our employees in this industry have to have an effective security system that doesn't create long lines, is effective, ensuring the safety of our passengers and crew members; and, in the end, it's not acceptable to not have sufficient staffing or sufficient technology to make sure our airplanes are safe.

Mr. DEFAZIO. Right. We just had Mr. Hawley in Homeland Security yesterday or the day before, and he was testifying about the millimeter wave portals walk-throughs have proved so successful that they're thinking of routinely having all passengers go through them. There's no way—you just walk through it. It reveals any contraband or problems. You do away with the frisking and the wanding and all the selecting and everything else. It could increase throughput dramatically, but the administration has not seen fit to ask for the funding to go ahead and buy these devices; and, again, we would ask for your help in dealing with these.

Mr. ANDERSON. Well, going back a little bit in history, as I recall being here right after 9/11, we, in fact, put a tax on our passengers to be able to fund these security requirements. So we've put a funding mechanism in place; and the success of our business, the safety of our employees and passengers depends upon having efficient and effective security screening at airports.

Mr. DEFAZIO. I want to turn quickly to one other thing which isn't the subject matter today, but I think the Chairman will agree with me this warrants some real focus by the Committee, and it's the discrimination against the domestic carriers in favor of foreign carriers.

I'm totally bemused. I read through that section of your testimony a couple of times, on what the administration and the FAA are doing here; and, as you know, on the other side of the Atlantic, it doesn't work that way.

Mr. ANDERSON. No, it doesn't work that way. In fact, it's going on on the other side of the Atlantic and the other side of the Pacific.

Our philosophy seems to be that after we engage in open skies negotiation and obtain access, that foreign flags have unfettered access and don't participate in the schedule reductions that Dave and I are participating in right now. And, in fact, we had a speech here from the President of British Airways last week saying that British Airways was planning on using the new open skies agreement with the EU to significantly expand service into JFK and didn't think that the flight cap issue was going to be an impediment. And that's because the 60 foreign flag carriers that fly into JFK are not participating in the scheduled reduction process.

Mr. BARGER. If I may as well, Congressman, also those aircraft that are flying a foreign flag, if you will, they're not subject to any type of reporting metrics. And so there's more than a few times when I have a fleet that's circling because of congestion—it could be on a very good day. It just happens to be windy somewhere over North Carolina. But all the aircraft are making their way into JFK because there's a different set of rules for those aircraft, and that simply is not fair.

And it's not that I want to punish those aircraft. Just participate equally. Because those airplanes are bringing in customers that are connecting into the Jet Blue system that has the largest airline system at Kennedy. So, again, it has to be this ecosystem of everybody participating equally.

Mr. DEFAZIO. My time has expired, Mr. Chairman, but I would hope the Committee would follow up strongly on that.

Mr. COSTELLO. It is a major problem, and Mr. Anderson covered some of it in his testimony. I certainly agree, and we will.

Let me inform everyone that we have three votes that have been called on the floor of the House. We have 10 minutes to get to the floor and record our first votes. So we will stand in recess, and we would ask our witnesses to come back. We have other Members who have questions. We would anticipate coming back from voting, let's say, at 11:45, about 30 minutes from now.

The Subcommittee will stand in recess.

[recess.]

Mr. COSTELLO. The Chair would ask the witnesses to take their place at the table.

At this time, the Chair recognizes the gentleman from North Carolina, Mr. Coble.

Mr. COBLE. Thank you, Mr. Chairman.

Good to have you witnesses with us today.

Folks, my comment earlier about my constituent who said he would prefer to undergo a root canal procedure rather than negotiate airports, that notwithstanding, I agree with what Mr. Duncan said earlier. I think airlines and airports generally do a good job, but the shortcomings and the failures are the ones that permanently linger; and, hopefully, we'll overcome that one of these days.

I read with interest in the hearing memo, Mr. Chairman, that during the holiday season some airlines are boarding full flights earlier to ensure on-time departures, reserving seats to accommodate passengers whose flights might be canceled or delayed, and placing kiosks in secured boarding areas to help passengers that need to be rebooked.

Can any of these plans that you all are emphasizing during the holiday season be permanently implemented year-round to address the problems? Mr. Anderson and Mr. Barger.

Mr. BARGER. Thank you for the question, Congressman; and the answer is yes. And, in fact, I think many of these enhancements are part of what Jet Blue, Delta and other airlines are doing to really make the travel experience more seamless. For example, the use of kiosks, whether it's in gate-hold areas or at ticket counters, the whole issue of allowing a customer to self-service, make a change to a reservation if in fact there is a disruption, as opposed to stand in line in the service center, make a telephone call. So examples like that and so many more, whether it's boarding in a timely manner, that's just good business 365 days of the year.

So I think we look at the Thanksgiving period and the holidays upcoming, it's a little bit different customer, much more of a family and strollers and wheelchairs and what have you, and just it takes a little bit different type of preparation because it's different than the Monday through Friday business traveler. So we do all that and more to make sure we're communicating expectations to our staff.

Mr. COBLE. Do you concur, Mr. Anderson?

Mr. ANDERSON. Yes, sir.

Mr. COBLE. That's encouraging. I look forward to experiencing that.

Let me put the question to either or all of the three witnesses to my right.

Record load factors are expected this holiday season, Thanksgiving and Christmas, and planes will inevitably be filled. How will both the network and low-fare carriers accommodate bumped passengers who miss their flight? How will you all be able to help those folks get home for Thanksgiving or Christmas dinner in a timely way?

Mr. FABERMAN. Well, I think, Congressman, one of the things that airlines are doing now is they're reducing the number of, quote, overbooked seats on flights. So we're not selling as many seats on each flight as has historically been the point. So we're trying to keep those numbers as reasonable as possible.

Secondly, you know, we—I think as both Richard and David talked about before, on a continuing basis airlines now are having conferences within their organization and within their systems to look at where—how flights are operating. And if they see any type of delay, like this morning there were some delays going into New

York, airlines automatically are beginning to look at what other options are out there. Is there a close-by airport we could put people on a flight to that airport? You know, what time is our next flight? And even working with other airlines on some of their flights.

Mr. COBLE. Ms. Bart or Mr. Principato?

Ms. BART. Yes, thank you.

I think that there are two important aspects to this from the airport perspective. The first is to have additional staff. At the Reno-Tahoe International Airport, we call those people passenger aides who help take stranded passengers back to ticket counters to rebook or back to kiosks to rebook.

While airports cannot do the booking for them and airports can't control the available seats, we can work very hard to make our passengers feel comfortable. So if they are stranded or if there are additional delays because they've been bumped from a flight and have to wait for another, I think those common conveniences of having additional concession opportunities, having places to sleep if necessary by virtue of cots, you know, having water and food available, those are the kinds of things that we have and are going out of our way to make sure we have to support that customer and that passenger.

Mr. COBLE. Mr. Principato.

Mr. PRINCIPATO. I just want to add just a little bit to what Krys said, and I think she covered it quite well. But, as I said earlier, airports are going even above and beyond what you would think, working with community groups, as I said before, the Red Cross, convention and visitors bureaus, local pharmacies, food outlets and so forth to make sure that that any passengers who are bumped and have to spend an inordinate amount of time at the airport are well taken care of.

Mr. COBLE. I thank you for that.

And let me conclude, Mr. Barger, with you. What caused JFK to go from I guess what was a more or less an orderly atmosphere when they attracted you-all 8 years ago to what I guess is universally now known as chaos? What happened?

Mr. BARGER. Well, it's—when we started flying, you're right, the number of flight activity or movements per day looked at 750 movements, and it's now in excess of 1,400 movements per day. The reason we originated our flying at JFK is because in the New York metropolitan area there was just so much in the way of capacity that was not being utilized. And so I think—I'd like to think that our success in growing Kennedy has certainly been attractive to other carriers and their growth plans.

It's certainly what's happening with Delta and the growth and American Airlines and their new terminal and growth, as well as our growth and the international carriers. It's all been as a result of really a capacity that wasn't being utilized over a period of time.

I think today, and it—we would like to—even though we have asked and we appreciate the Secretary being involved with taking a look at potential hourly caps at Kennedy, it's unfortunate because really our headline is one of there's additional capacity that we should go after through the use of technology and the proper investment. And Kennedy Airport today is the primary gateway in

and out of the United States. With some type of limitation, that is not the right thing to do as we move into the future.

Mr. COBLE. Mr. Anderson.

Mr. ANDERSON. Yes, Congressman.

First, I'd like to thank all of our great employees at Delta from JFK that are here today; and I think they know well the challenges that we face there.

But at a base level, JFK, according to FAA-published statistics, should operate at a capacity of 100 operations an hour. This past summer it operated at 65. It is an airport with four runways. It's double the size of La Guardia, but it handles the same number per hour as La Guardia.

So when we think about capping or putting other restrictions in place, we shouldn't be doing it until we've figured out how we run the airport in an efficient way. It's got two widely spaced parallel runways, and the airport should operate at the level it was designed at some many years ago, and it's not. And in fact, its production has been going down year over year.

And the carriers that serve there, particularly the U.S.-flagged carriers—Jet Blue, American, Delta—the carriers should be able to expect that the airport is operated efficiently and safely at its maximum capacity.

Mr. COBLE. I thank you.

Mr. Chairman, I think this has been a good hearing. I yield back.

Mr. COSTELLO. I thank the gentleman.

Let me ask a point of clarification before I go to the gentleman from Iowa. In ATA's press release—and you mentioned, Mr. Faberman, blocking of seats or maybe not overbooking flights to the extent that might happen normally during the holiday season. I wonder if I might ask the three of you—in particular, Mr. Anderson, Mr. Barger and Mr. Faberman—to address that issue.

In fact, ATA, I have their press release here. It says, one of the things that will be done out of many will be blocking of seats in key markets on peak holiday travel for its use to re-accommodate passengers whose flights are cancelled or delayed due to inclement weather. Can you explain for those of us here in this room what you mean by that, the blocking of seats in key markets? Mr. Barger?

Mr. BARGER. I will.

From a Jet Blue perspective, Mr. Chairman, probably the best way I could clarify that with our operational plan is, as we're—over the period of the holiday, we'll end up with an 85 to 90 percent load factor. Certainly, there's some days that will be quite peak, the Sunday after Thanksgiving, the Wednesday before Thanksgiving.

And as we look at potentially accommodating disruptive customers, our methodology has been one of operational spare aircraft. And so our fleet of 132 airplanes will have 127 flying, 5 operational spares—Boston, New York, Long Beach, California, as well as down in Ft. Lauderdale, Florida. So that's the way that we take a look at accommodating a disrupted traveler over the course of the travel experience.

Mr. ANDERSON. Flights are overbooked because the no-show rate is very high. So when we set up overbooking levels, each flight has an overbooking level based upon its historic no-show rate. And the

reason we have to do that is, when people don't show up, then the airplane's going to fly with an empty seat, and at $90 oil or $70 oil, we can't afford as a business to have people not show up. So we overbook.

What we do during Thanksgiving, understanding that the no-show rate goes down, is you reduce the overbooking levels. You operate extra sections which is in very dense markets with a lot of traffic. You put extra flights in. So we'll run some 80-some-odd extra sections.

And then, lastly, our load factor's predicted to be in the low 80s through Thanksgiving. So we have a fair amount of capacity in the schedule; and between those three factors—reducing the overbooking level, running extra sections and running a slightly lower load factor than we ran over the summer—we will have sufficient capacity to be able to accommodate rebookings.

Mr. FABERMAN. I just want to add to what Richard said, and it is a different set of customers that fly during the brief holiday period than normally. And, you know, when you have a lot of business customers flying, people hopping back and forth and different things, they will frequently miss flights or change flights. So your system needs to prepare for that and needs to understand that we don't want to leave with 15 empty seats. So at certain times of the year, certain times of the week, you do tend to overbook a little more.

During the holiday time period, it's a lot more family travel, lot more people going on vacations; and those people don't not show up as frequently. They show up, and they're there, and they're ready to go, and they don't really switch flights a lot.

So if you just book 85 percent, 90 percent of the aircraft, you're going to have that many people; and that gives you some extra seats that at the last minute you can hand out.

Mr. COSTELLO. I thank you; and the Chair now recognizes the gentleman from Iowa, Mr. Boswell.

Mr. BOSWELL. Thank you, Mr. Chairman, and appreciated the give-and-take and discussion.

I've got a couple of questions about some of the things you said I want you to clarify. But just before we do that, there's something that kind of grinds on me, if I could say it. I think that I certainly am and I think everybody on the Committee is advocates for the airlines, and we've shown that over and over since 9/11.

We're also advocates for general aviation, and it irritates me to see in your publications in the pocket of your seats the distortion about what's going on on this situation about general aviation. So quit it. That's my suggestion to you.

If you want to comment on it, you're welcome to do it. But you just don't make any mention—get all the notes you want, but you don't make any mention about the taxation on fuel and the things that general aviation pays for.

I'm going to continue to support you, because I know you are extremely important to our economy and service to our country in many, many ways, and we'll continue to do that, but come on, let's do what's right.

Now, Mr. Anderson, you made some comment—and if you want to comment, you're welcome to do so. You made some comment

about describing or talking about a check-in process called drop-and-go, and I don't know if I understand all that. So, just briefly, would you say something about that?

Mr. ANDERSON. The goal is to make the process of moving through the airport as simple and as easy as possible. So we have devised a system whereby you check in at home, check in at home on the Internet. You can verify what time your flight's leaving; and at that time, when you check in, you check in at home on the Internet and designate the number of bags you're going to check. And then as soon as you get to the airport there are separate areas both on the curb and in the lobby—we call it drop-and-go. You walk in, you're already checked in, you scan your boarding pass that you printed at home under a reader, and your bag tags print out. We have an employee there that's ready to help with that.

Mr. BOSWELL. Reclaiming my time, that sounds great. I appreciate it, and we use the Internet to get our pre-boarding pass. So at the time I'm assuming you can do that. So I normally don't try to check baggage because I like to have it when I get to the other end. So I won't go there, but that's a good idea. I hope that you continue working on that.

The other one I think is that I believe it was one of you mentioned—I've got a moment here or two left. I think it was you, Mr. Barger, who was talking about new processes to handle lengthy delays, including the on-board delay escalation procedure. So would you just expand a little bit on what the on-board delay escalation procedure is and how it will affect passengers on aircraft?

Mr. BARGER. Yes, I will. Thank you, Congressman, and also thank you for your comments regarding the importance of general aviation as part of the community using the skies. We certainly respect those comments.

From the perspective of the escalation of a customer on an airplane, and probably the theme I would use is one of situational awareness, and, to be very candid, lessons learned from our February event up in New York, where we put in place and now FAA endorsed and approved an on-board escalation policy at 60 minutes, 120 minutes, 180 minutes—but through our system operations center, in coordination with a local airport, in coordination with our crew and dispatch, that we have perfect visibility into how long a customer has been on an aircraft, whether that's waiting to take off or whether that's waiting for a gate. And, candidly, we didn't have that in place in the February time frame when we had the incident earlier this year.

To also support when, in fact, we are in those type of situations—and, hopefully, they're very, very rare—that's where we have instituted our bill of rights to make sure that we make good on our commitment if, in fact, we've broke a contract, if you will, with a customer. And that could be for a delay or a cancellation but certainly making sure that the information flow is steady. Because, at the end of the day, number one, what customers and crew members want and expect is crisp, timely, honest communication.

Mr. BOSWELL. Thank you very much.

And that last part is I—you know, I went through a miserable day a week ago Monday getting here with delays on aircraft, maintenance, three in a row, and it can't be helped. You've got to pre-

flight, you've got to do those things, you've got to take your safety checks, and I understand that, and I don't quarrel that at all. It really makes the passengers—being a frequent passenger, to know what's going on, and just say it like it is. Just tell the truth and be quick to say it. And it just stops a lot of bad feelings. And so I want to encourage everybody, please keep picking up on that, because we like it.

And back to—and I'm going to—I have to go. My time's up. But back to my earlier comment on we do support you, and you know that, and we also support aviation, general aviation and, you know, and a lot of your passengers are people that are involved one way or another not only as pilots but users and owners of general aviation. So I would hope that we do what I asked you to do earlier.

And thank you, Mr. Chairman. I yield back.

Mr. COSTELLO. Thank you.

And the Chair now recognizes the gentleman from Michigan, Dr. Ehlers.

Mr. EHLERS. Thank you, Mr. Chairman.

And usually one sermon a day is enough, but let me just add to Mr. Boswell's sermon. Get off GA's back. I have a couple of reasons for that, in addition to the one he mentioned. That's going to be your source of pilots in the future, I'm convinced. If you look at what is happening to the Armed Forces, the number of pilots produced by the Armed Forces is likely to drop fairly dramatically in the future through unmanned vehicles and other uses of equipment. So just remember that the pilot in the GA cockpit may be one of your pilots someday.

Having said that, let me make a few comments as a frequent flier and also as one who loves aviation and really supports your industry.

It seems to me one basic category that you have to be prepared for, even though it's expensive to prepare for, is the disasters. I'm very familiar with one which happened in Detroit some years ago. I believe Mr. Anderson's probably even more familiar with that one, when the sudden drop of 10 or 12 inches of snow just stopped the airport cold. There were so many mismanagement decisions made at that time; and it was finally—started to move when a passenger, who happened to have Mr. Anderson's phone number, gave it to the pilot. The pilot called him, described it and suddenly things started moving. It shouldn't take that.

But there have been other disasters. You've had some similar ones recently. Jet Blue encountered one.

There has to be more planning and more training for emergencies. They are going to happen, and I recognize that they're expensive to plan and train for because they're infrequent. And so they—it may seem like they're not worthwhile, but it has to be done because—simply because of the huge, bad publicity you get when those happen. So I encourage you to do that.

Something else I think there is a legitimate complaint about, and I understand that the tradition of the ship carries over to the airplanes. The pilot is the captain of the airplane, and he makes the decision, and that's it, period.

But I have been on planes. I've sat on the tarmac a very long time, and one of them, which is pre-9/11, and those of us who are on this Committee had permits to be in the cockpit if we wanted.

I was in the cockpit of one that sat on the tarmac for 3 hours. Passengers were getting restless. The flight attendant came up front, said we have a claustrophobic woman who's about to lose it, et cetera, et cetera. And the basic reason the pilot didn't want to go back to the airport and just let the passengers off until he could be released was because he didn't want to lose his place in the flight line-up, and he, you know, just sat there in the hope that at some time the weather would clear and he could take off. And if he went back to the terminal, he would lose it and have to go back through the process.

I think it would be very worthwhile with a lot of these cases that you work with the FAA and the airports to provide in a situation like that, where pilots and a plane are delayed, they get accelerated departure permissions to take off. It's only fair, and if you don't have that, you lose not only lose your place in line, you also lose your place in line at your destination. And, as you know, one late flight perpetuates a lot of problems for passengers trying to get onto other flights. They get overcrowded and so forth.

So I would hope that you would consider that, and I will give you a minute to comment about that.

I just have one other issue to raise, wondering what is the role of the FAA's air space redesign efforts in reducing congestion and travel delays. And if it's implemented, how will that affect your customers? What can be done to implement it?

So I've thrown out a lot of things. We will just go along the line and get responses as time permits.

Mr. Anderson, you want to go first.

Mr. ANDERSON. On the issue of taxi-out delays and prioritization, you know, there are a number of task forces. There's actually one working right now with FAA on those kinds of steps. So, you know, I would encourage us as an industry to take your comment under consideration and determine how we can work through the prioritization when you do have long ground stops of takeoffs.

Mr. EHLERS. Let me just interject here. You have a Committee here who is willing to help you, by and large. So if you need our help, don't hesitate to contact the Chairman and Ranking Member.

Mr. ANDERSON. Thank you.

With respect to next generation, FAA is critical. If you look at FAA forecasts, it's forecasted that U.S. Emplanements will grow from about 700,000 this year to a billion in the next 5 years. That is a credit to the success of deregulation and the accessibility of air travel to every American.

In order to be able to accommodate that demand, we have to have the next-generation air traffic system. You use GPS to navigate in your automobiles. We don't use it to navigate airplanes. We still fly in the national air transportation system the same way we flew 50 years ago, from VOR to VOR to VOR with set routings; and in order to accommodate the growth that is an important engine of the American economy, we have to have the investment in capacity and safety to be certain that we can accommodate a billion passengers a year. And I'm certain this Committee and Mr. Chair-

man want to be in a situation where we're sitting here 5 years from now and we've been able to make the investment necessary to meet the demand of the consumer, the travelling consumer today.

So next-gen is critical to being able to do that; and in the short run, between now and the time that we have all of the next-gen developments in place, we need to work cooperatively to do those things that will incrementally increase capacity.

USA Today had a very good article about 2 weeks ago about a number of airports around the country that have actually reduced their delays over the past year by investment in air traffic and airfield capacity.

So we need to take all the steps in the short term to meet demand, and we've got to make the investment as a country and the commitment as a country to implement the next-gen system in order to meet the billion passengers that are going to be flying in the airways over the course of the next 5 to 10 years.

Mr. COSTELLO. The Chair thanks the gentleman and now recognizes the gentleman from Missouri, Mr. Carnahan.

Mr. CARNAHAN. Thank you, Mr. Chairman and Ranking Member.

And, to the panel, I hail from St. Louis, Missouri. We have Lambert International Airport there, which is among the top 10 busiest for holiday travel. We appreciate the presence of Delta, Jet Blue, American, Southwest, and many others there. They've been part of growing the service back at Lambert.

But the environment for this holiday season, where we expect travel up 4 percent, flights to be 80, 90 percent full—we saw a year with record low on-time arrivals, and media reports about this environment certainly have given the traveling public and consumers reason to be concerned.

That's why I especially appreciate the reports here in terms of your all-hands-on-deck approach to being ready for at least all the contingencies that you can be; and if there's anything you can do about the holiday weather, that would be a plus.

But I guess I'd like to ask the question in terms of the human elements that were mentioned in the testimony in terms of advice for the traveling public, in terms of what they can do to help with the process, and especially for those nonfrequent fliers that may not be as used to the traveling regime now. What's the best advice you can give to those traveling consumers?

Mr. ANDERSON. Okay, really practical. One, check the Internet for the airline you're traveling on and verify what time your flight's leaving.

Second, determine from the Internet site what time you're supposed to report for your flight, domestic or international.

Third, it's always practical to have somebody drop you off at the airport at the front. Then you can avail yourself of skycaps and check in on the curb.

Use the Internet technology. You can check in at home on virtually every airline, and you can designate how many bags you're going to check. Take advantage of that. And when you get to the airport, you just merely have to go to the skycap to drop your bags or go to into the ticket counter.

When you get to the security checkpoint, mind the carry-on policies. You know, the carry-on policy is one right-sized carry-on. Congressmen know this probably better than any other travelers in the world. Mind the carry-on policies and don't carry wrapped packages through the checkpoint because you may have to unwrap them.

And my tip of the day is always wear slip-on shoes.

Mr. BARGER. If I may, Congressman, I think, just adding to Richard's comments which cover the whole travel experience, but at the same time it—I think we have a good news story as well, and we have to be prepared for it. I think that airlines and airports and FAA, TSA, tremendous collaboration, but, at the same time, don't come out 4 to 6 hours early to the airport.

There's almost scare stories that are out there about how bad it's going to be. It's not the case. We just went through a July and August time frame that was actually—the load factors were probably as high over an extended period of time, and it's a tough period of time because of convective weather activity, and we do run the risk of Mother Nature and winter operations this time of the year. But, by all means, come to the airport with all of us, crew members and our own staff, with the proper attitude, because there's a tremendous amount of preparation that's gone into this holiday. But be timely but not too early.

Mr. PRINCIPATO. If I could just say, too, last year was a really good, I think, test of the system because it was the first Thanksgiving where we had the new liquids and gels rules, and you had all those first-time travelers.

I've been through that St. Louis Airport with infant twins in the past, and my wife grew up in Illinois, and I know what this is like. And so you have people who don't travel all that often; and, last year, they were going to come with liquids and gels. They didn't know what shampoo they couldn't take and whatever.

The airports got together with TSA and the airlines to really get that information out. We put a lot of people on the ground; and, really, I think last Thanksgiving went actually pretty well, pretty smoothly. Weather, of course, cooperated, which is nice; and you mentioned that earlier.

I think last year was a pretty good run-through for what we're going to see this year, because we had those new rules in place that so many people hadn't experienced before. And because of the information and the human resources we put into it, it actually went pretty well.

Mr. CARNAHAN. Any others?

If not, thank you very much; and I yield back.

Mr. COSTELLO. Thank you.

The Chair now recognizes the gentleman from Georgia, Mr. Westmoreland.

Mr. WESTMORELAND. Thank you, Mr. Chairman; and I apologize for being late and not being able to hear you on the testimony. But I've been in another hearing with the TSA talking about some of the things Mr. Carnahan just asked as far as carry-on luggage.

I will just tell you from the experience—and I fly Delta most of the time——

Mr. ANDERSON. Thank you.

Mr. WESTMORELAND. —you know, there's people that carry on everything but the kitchen sink, and so I hope that we would maybe enforce that a little bit better.

But, Mr. Anderson, I want to thank you for being here. As you may or may not know, I represent more Delta employees, retired and active, than any other Member in Congress; and I'm very proud of that. I'm also very proud of the fact that my wife worked in marketing and advertising for Delta when we were first married. I was a ramp rat at Delta, actually bled grey and blue for a long time in my life; and my daughter was a flight attendant for Delta. So we've had a lot of family connection, not to mention the number of friends that we have that work for Delta.

And, you know, as a congressional delegation, I think that we have worked very hard for Delta Airlines. We went through the pension, the bankruptcy; and we're so proud of Delta, that they're out of bankruptcy and that they are doing well and the business plan that was came up with is doing good. And, of course, with oil being over $90 a barrel, I know that it didn't really work into your recovery plan that well; and we hope that in the future that will come down.

But I must say that I was disappointed to read in the paper about merger talks with United, kind of blind-sided, you know. And it's one thing in this political business when the press calls you up and—especially after all the things that we've gone through with Delta—and blind-sides you, wanting you to quote on the economic engine for the world's busiest airport, I believe, talking merger with another airline.

Mr. WESTMORELAND. And so I was disappointed in that, and I read the release that Delta put out, and I think your exact words were that there have been no talks with United regarding any type of consolidation transaction, and there are no such ongoing discussions.

I just want to hear it from you. I want to look at you eyeball to eyeball.

Mr. ANDERSON. That is fair.

Mr. WESTMORELAND. I want you to look at me, eyeball to eyeball, and tell me that Delta Airlines has not been in discussions or in negotiations or in anything else or in communications with United Airlines about a merger.

Mr. ANDERSON. It has not. I was actually as surprised as you were—you probably as a Congressman are, maybe, little more used to this—reading in the paper that I had been in these conversations when I have not talked to Glenn Tilton or any other executive at United Airlines since the last time I was in the industry about 4 years ago.

So there are no discussions. There have been no discussions. And I think I was as surprised by that Associated Press article as you were.

Mr. WESTMORELAND. Well, I appreciate that. You know, we feel like, especially with the roots of Delta, that you are a good southern company.

Mr. ANDERSON. We are.

Mr. WESTMORELAND. I know you are.

Like I said, I have been part of that family. We do not want the family moving north. We want to keep the family in Atlanta. We want to keep it together, and we want it to be that strong, viable airline that it started out being.

And I know we have gone through some tough times, but we are here for you. But we also want to be kept informed of any future plans that Delta may have; and I know you cannot let us in on everything that you are doing, but you have been very kind with the workout plan and with other things that you have kept us informed about.

So I am just asking you to keep us informed, to keep the family informed. We want you to stay home.

Mr. ANDERSON. You know, I could not agree with you more. We will keep you informed. You know, it is a great airline with a great legacy that goes back to Monroe, Louisiana——

Mr. WESTMORELAND. Absolutely.

Mr. ANDERSON. —in 1926, and that is a really important part of what Delta is.

So you can count on us to continue to do what is in the best interest of the employees at Delta and of the shareholders at Delta and of the communities we serve. So thank you.

Mr. WESTMORELAND. Thank you very much.

Mr. Chairman, again, I apologize for being late, but I appreciate your giving me the opportunity to ask a question.

Mr. COSTELLO. The Chair thanks the gentleman and now recognizes the gentlelady from California, Ms. Richardson.

Ms. RICHARDSON. Thank you, Mr. Chairman.

I have three questions for the panelists today. Let me preface my thoughts by saying I am the new member of the group. I got sworn in all of about 9 weeks ago, so I fought to get on this Committee, and I am happy to be with you today.

My first question is having to do with—in local government, we have a system called a ″reverse 911 system.″ What that essentially does is—you have heard several questions from Members here, asking you what can members of the public do to be better prepared to process through the system; yet, I did not hear much discussion on your end of what you could do. And it is a little difficult because we have to assume in my community, for example, that not everyone has a computer, that not everyone has the Internet, and so repeatedly hearing the answer, ″Well, check the Internet and check this and that.″

I wanted to ask you: Sometimes when I have made flight arrangements through a travel agent, they do ask me ″What is your phone number?″ I am just curious. Has there ever been a discussion about doing a more reverse system of putting out an automated or a robo-call saying, you know, your flight is going to be delayed 1 hour or whatever it is, or doing a reverse e-mail?

What can you do to be proactive to inform the consumers of problems that might be occurring?

Mr. ANDERSON. Delta actually has that system, and I should not have just referenced the Internet.

We have 6,000 people in our reservations department that are available on a toll-free number to be able to answer questions about flight availability. Dave, at JetBlue, has the same thing, as

do the carriers that Mr. Faberman represents here, so we have both Internet and telephonic availability.

Secondly, we do have the ability—we call it the ″AutoDialer″—where you can auto-dial out and send e-mails updating people on their flights. So those systems are in place.

Ms. RICHARDSON. Do you use them?

Mr. ANDERSON. Absolutely, because you have got to have them available for schedule changes and irregular operations, because we do not want people to come to the airport if a flight is cancelled, and the earlier we can plan in advance of an irregular operation and let the passengers know and get them reaccommodated, the quicker we will be able to recover in a weather incident.

Ms. RICHARDSON. Mr. Chairman, I would like to ask, can we determine if all of the airlines have this sort of system and if they are utilizing it?

Mr. COSTELLO. I did not hear the gentlelady.

Ms. RICHARDSON. The systems that I am talking about, he called it ″automatic redial.″ I call it kind of a ″reverse 911.″ I am just curious if all of our American carriers, flag-carrying carriers, have this sort of system and are they utilizing it.

Mr. COSTELLO. Mr. Anderson, can you answer that?

Mr. ANDERSON. As a general rule, all of the major carriers have auto-dialers, which is an outbound calling system or an e-mail system that lets flyers know about changes in their flight plans.

Ms. RICHARDSON. With all due respect, Mr. Anderson, my second question was, though, Do you use it?

Mr. ANDERSON. Yes. Yes.

Ms. RICHARDSON. The reason why I ask the question about your understanding of all of the carriers is that I fly quite a lot, and members of my family fly quite a lot, and I recall very rarely getting notification. So that is why I am asking, can we verify it, in fact.

Just because carriers have the system, it does not mean that they are using it.

Mr. ANDERSON. I cannot speak on behalf of other carriers. I can speak on behalf of Delta, and we use it.

Ms. RICHARDSON. Okay.

So, Mr. Chairman, what would be the process of getting that information to this Committee from the other carriers?

Mr. COSTELLO. We will check with the ATA to, in fact, have them survey the airlines——

Ms. RICHARDSON. Okay.

Mr. COSTELLO. —to get an answer.

Ms. RICHARDSON. My second question is having to do with—Mr. Anderson, it really caught my eye when someone asked the question about the TSA, and you were very specific in saying that, you know, the TSA does not report to you, which I clearly agree with and understand.

Is there any ongoing meeting or position that carriers have with TSA to discuss what is happening—what is happening with the loads at various airports when they have delays? Because you seemed a little bit frustrated, and I know I am and many consumers are as well.

I was traveling in the LAX area, and a person noted to me that several of the TSA members were being laid off, leading up to Christmas. I was shocked given, one, how long we wait and, two, given the incoming traffic that will be occurring.

So are you regularly advised on what is happening in these various airports? Is there an ongoing process or group or advisory committee that you are able to participate with about these issues?

Mr. ANDERSON. I believe the ATA has a security committee that works on behalf of the industry.

At the local level, there is generally a very close working relationship between the Federal security director at an airport and the airlines operating in the airport, you know, providing information about what load factors will be by the time of day and what the TSA can expect in terms of passenger volume.

Ms. BART. I would certainly like to add that my colleagues make a point of having regular—and I mean at least weekly meetings—that include the TSA and the local airline managers from an operational standpoint.

As we get closer to any major event like a holiday or other event where we would see a tremendous influx of passengers, it would be a standard operating procedure to call special meetings to discuss loads that are anticipated, any issues—weather contingencies, parking contingencies, things of that nature.

So that has become standard protocol from the airport side to orchestrate those meetings.

Mr. PRINCIPATO. There are also regular conference calls that TSA has with airports on an ongoing basis as well.

Ms. RICHARDSON. Given some of the problems we talked about today, are any of you aware of layoffs happening within the TSA organization?

Ms. BART. I am not. I have not heard of anything to that effect.

Ms. RICHARDSON. Okay.

Mr. Chairman, could I have 1 more minute?

Mr. COSTELLO. Sure, the gentlelady can have another minute.

Ms. RICHARDSON. Thank you, sir.

One last question and then just a comment on behalf of JetBlue.

My last question is: I recently was flying, and I noticed that if I am scheduled on a flight, let us say, at 5:00 o'clock and that flight is delayed and at 6:00 o'clock another flight is going out to the exact same destination, my flight is delayed like an hour or two. The people who were on the original flight at 5:00 are not the first ones who are able to go onto the 6:00. They have to wait from 6:00 to 7:00, to 8:00, to 9:00. They could end up waiting through two and three flights if those other flights are booked.

Excuse my ignorance, but is there not a process to deal with that particular passenger who ends up continually getting bumped even though there are other available flights?

Mr. BARGER. If I may, Congresswoman, from a JetBlue perspective—and you raise a very good point.

Ms. RICHARDSON. It was not on JetBlue, by the way.

Mr. BARGER. Thank you. You raise a good point, though, and we struggle as an industry, and we struggle as a carrier.

When you have an operational issue on one plane, do you domino that into many other flights when, even though the customer at

5:00 is wanting to fly to Oakland from Long Beach and is wanting to get on the 6:00, there is not a problem with the 6:00 flight?

So maybe the Members of the Committee may not like the answer, but we tend to inconvenience that group, that single group of customers, as opposed to domino it to several other groups. It seems like the best, if not a good, answer, but it really is just to contain that level of inconvenience to one flight.

If I may also, I will just echo Richard's comments. We are using auto-dialing, and I think we are newer to the game than others because we had to learn some of the lessons to communicate with our customers from the February time frame through the use of technology, so I just wanted to acknowledge that.

If I may, Mr. Chairman, just in the closing of my comments, I would also like to take the opportunity to recognize Congresswoman Juanita Millender-McDonald. We certainly appreciated her support down in Long Beach, and we look forward to working with you in the future.

Ms. RICHARDSON. Likewise.

Mr. Chairman, my other question would be building upon this question here, what possible regulation we might be involved with to deal with that issue, because when you are in an airport and you continue to be bumped for three and four flights, it just seems, if for the airlines it is more profitable or beneficial in their minds to only have those 100 or 200 customers who are not happy, instead of 500, that it may not necessarily be what our constituents would prefer.

Finally, coming from Long Beach, I wanted to give you a special plug. I heard several people talk about, you know, the chaos and the problems of what JetBlue, unfortunately, experienced—and what other airlines experienced, I want to fairly say—last year. Some people are not aware of the recent awards that you won, despite all of that, for being one of the best airlines in terms of timing and service to your constituents. So thank you, and that is my plug for being from the 37th.

Thank you, Mr. Chairman.

Mr. COSTELLO. I am sure that Mr. Barger appreciates how you ended your comments and your time.

Mr. BARGER. Yes, thank you.

Mr. COSTELLO. The Chair thanks the gentlelady.

Let me say that we again thank our witnesses for being here, and we appreciate your thoughtful testimony. We appreciate the fact that you are taking action to prepare for the holiday season.

As I have said before, one of our responsibilities in this Subcommittee is to provide oversight, to make certain that the FAA and other Federal agencies are doing their jobs; and we have a responsibility to make certain that the airlines and the consumers are working together and that the consumers are treated fairly.

We will examine the holiday season when we are in 2008, and hopefully, we can come back at some point after the first of the year and get a good report from you and from others in the industry.

There being no further business before the Subcommittee, the Subcommittee stands adjourned.

[Whereupon, at 12:44 p.m., the Subcommittee was adjourned.]

OPENING STATEMENT OF
THE HONORABLE RUSS CARNAHAN (M0-3)
SUBCOMMITTEE ON AVIATION
TRANSPORTATION AND INFRASTRUCTURE COMMITTEE
U.S. HOUSE OF REPRESENTATIVES

Hearing on
Airline and Airport Holiday Travel Preparations

Wednesday, November 15, 2007, 10:00 AM
2167 Rayburn House Office Building

Chairman Costello and Ranking Member Petri, thank you for holding this hearing -- with the holiday travel season just days away, this hearing is quite timely.

Mr. Chairman, the good news for the airline industry this holiday season is that, according to The Air Transport Association, forecasts show that that air travel around the Thanksgiving holiday will increase 4% from a year ago. With that, of course, comes the inevitable long lines, delays, and frustrated air travelers. Given that this increase in travel is coming in a year with record-low on-time arrivals, I am particularly interested to hear how both the airlines and airports plan to deal with this increase in travel.

This past Monday, the ATA also stated that air passengers should expect longer lines and flight delays this Thanksgiving season as a result of this increase in air travel. I am interested to hear testimony today to hear what both airports and airlines have done, and will do over the next few days, to help alleviate some of these expected problems.

The other issue I am interested in hearing each of you address today is the cost of tickets during the holiday season and beyond. It is becoming more expensive to fly ~ with increased fuel costs and, in some instances, less availability, there have been numerous reports about increased fares. I am interested to hear about the pricing structure during the holiday season, and whether or not we should expect fares to stay at these higher levels after the holiday season.

Again, Mr. Chairman, I thank you for holding today's hearing, and I look forward to hearing from our witnesses. Thank you all for being here today.

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OPENING STATEMENT OF REP. STEVE COHEN

Transportation and Infrastructure Subcommittee on Aviation

"Airline and Airport Holiday Travel Preparations"

November 15, 2007

I am pleased to be here today to receive testimony from the CEO of Delta Airlines and others today as we examine airline and airport holiday travel preparations.

The first half of 2007 has been the worst for airline delays since the Department of Transportation Bureau of Transportation Statistics started keeping comprehensive aviation statistics 13 years ago. The Air Transport Association (ATA) predicts that 27.3 million passengers will fly from November 16 through November 27, an increase of 3.9 percent over 2006.

According to ATA, in preparation for holiday travel, air carriers are offering customer service enhancements, such as encouraging passengers to use online check-in procedures and self-service check-in kiosks at the airport. It is also heartening to know that airlines will reportedly be adjusting staff levels to meet the inevitable increase in traffic during this time of year.

Northwest Airlines operates its third largest hub out of Memphis International Airport, located in Tennessee's 9th Congressional District. Northwest alone offers a combined total of 221 flights to and from 90s cities every day. I am consequently eager to hear from our witnesses today on current activities in place to address the recent spike in airline delays as well as what other customer service enhancements need to be in place to address the growing number of passengers traveling this holiday season.

STATEMENT OF
THE HONORABLE JERRY F. COSTELLO
AIRLINE AND AIRPORT HOLIDAY TRAVEL PREPARATIONS
NOVEMBER 15, 2007

- I want to welcome everyone to our Subcommittee hearing on airline and airport holiday travel preparations. This hearing is the third in a series of hearings on airline consumer protection.

- The Air Transport Association forecasts that 27.3 million passengers will be boarding planes during the 12-day holiday travel period that starts November 16 and ends November 27, a 3.9 percent increase from last year. An average of 2.3 million passengers will travel each day with a 90 percent aircraft load factor.

- This increase in traffic comes at a time when airlines and their consumers are experiencing the worst on-time delays.

Through August, more than one in four flights was delayed. Long, on-board tarmac delays have increased by almost 49 percent from 2006 and delays of 5 hours or more have increased 200 percent.

- The delays and the increasing number of consumer complaints that passengers filed this summer are unacceptable. We are holding this hearing today in an effort to inform the traveling public about what the airlines and airports are planning to do to ensure that consumers do not experience lengthy delays during this busy holiday travel season.

- While the FAA and DOT have had numerous closed door meetings on ways to reduce congestion and delays, Secretary Peters declined to come to this hearing today to tell the

traveling public what this Administration is doing to ensure a safe and efficient holiday travel season.

- I am pleased that two airline Chief Executive Officers, Richard Anderson, Delta Air Lines and David Barger, JetBlue Airways are here to discuss how their respective carriers are preparing for the holiday travel season and what consumers can expect.

- I am also interested in hearing more about what our airports are doing to ensure the safety and comfort of passengers while in their terminals. One of the lessons learned from both the American Airlines and JetBlue incidents last winter was that airlines and airports need to work together to get passengers on and off the aircraft as quickly as possible to reduce lengthy tarmac strandings.

- The traveling public saw firsthand this year the serious problem our current system has with congestion and delays, which affect passengers and the quality of service. H.R. 2881, the FAA Reauthorization Act of 2007, addresses many of these issues to better protect consumers and reduce congestion and delays. It was my hope that we would have an FAA reauthorization bill enacted into law by now, but the Senate has yet to act on its version of the legislation.

- The airlines, airports and the Federal government must work together to ensure consumers get to their destinations safely and efficiently during this busy holiday travel season.

- With that, again I welcome our witnesses and look forward to their testimony.

- Before I recognize Mr. Petri for his opening statement, I ask unanimous consent to allow 2 weeks for all Members to revise and extend their remarks and to permit the submission of additional statements and materials by Members and witnesses. Without objection, so ordered.

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Harry E. Mitchell

Statement of Rep. Harry Mitchell
House Transportation and Infrastructure Committee
Subcommittee on Aviation
11/15/07

--Thank you Mr. Chairman.

--In the coming weeks, millions of Americans will take to the skies to reunite with family and friends, and after a summer of record delays, many are wondering what they are going to find when they get to the airport.

--Today, they'll find some chilling news from the General Accountability Office. Undercover agents were able to smuggle a

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detonator, liquid explosives and liquid incendiary components past airport security, even though airport screeners were supposedly following proper procedures.

--This is as alarming as it is unacceptable. This is the 6th holiday season since 9/11, and we are still vulnerable to materials that terrorists can readily purchase for less than $150.

--The flying public deserves better. We deserve to be safe.

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--We also deserve to get where we're going without unreasonable delays.

--According to the Bureau of Transportation Statistics, the first half of 2007 was the worst for airline delays since they started keeping comprehensive statistics. More than a quarter of all flights were delayed.

--And it's not just the *number* of delayed flights that's breaking records, it's the

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duration **of flight delays as well. Average flight arrival delays are almost an hour long.**

--But perhaps most disturbing is the rapid growth we're witnessing in on-board tarmac delays. According to the Department of Transportation's Inspector General, in the first 7 months of 2007, "More than 54,000 flights affecting nearly 3.7 million passengers experienced taxi-in and taxi-out times of 1 to 5 hours or more. This is an increase of nearly 42 percent as compared to the same period in 2006."

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--As we head into the holiday travel season, these are issues that rightfully weigh on the minds travelers.

--Sky Harbor is the nation's 8th busiest airport, and they take these issues seriously. They are wisely embarking on a comprehensive plan to gear up for the holiday rush….and guard against delays.

--To reduce traffic congestion around terminal buildings, they'll be increasing

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curbside traffic management and encouraging customers to use Stage and Go cell phone waiting areas.

--They'll be increasing security and coordinating daily with the Transportation Security Administration to deal with any staffing and operational issues that may arise during peak travel times.

--But there is only so much Sky Harbor and other airports around the country can do, when the national system lacks adequate

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capacity to deal with our increasing demand for air travel.

--The FAA estimates that, our system will carry 1 billion passengers by 2015, and air traffic will double by 2025.

--If we don't want our future filled with holiday gridlock, we need to prepare.

--And in the Valley, I am proud to report that is precisely what we are doing.

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--We are building a new light rail system, which will move passengers into and out of Sky Harbor more efficiently.

--In addition, Phoenix is joining other Valley communities to develop Phoenix-Mesa Gateway Airport on the site of the former Williams Air Force Base in Mesa.

--The mayors of Mesa, Phoenix, Gilbert and Queen Creek, as well as the Governor of the Gila River Indian Community are all part of the Williams Gateway Airport Authority, and

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that's exactly the kind of regional cooperation the Valley needs if we're going to meet our future needs.

--Clearly we have a lot of work ahead of us, both for this season and holiday seasons to come.

--I look forward to hearing from today's witnesses.

--At this time, I yield back.

STATEMENT OF

REP. THOMAS E. PETRI, Ranking Member

SUBCOMMITTEE ON AVIATION

HEARING ON

"Airline and Airport Holiday Travel Preparations"

November 15, 2007, 10:00 am, 2167 RHOB

Good morning. I would like to welcome our witnesses today and thank Chairman Costello for calling this hearing.

According to the Bureau of Transportation Statistics Holiday travel across all modes accounts for 8.3 % of all trips and 9.8% of all miles traveled during the year.

During the 5 days surrounding Thanksgiving, an average of 10.8 million trips are taken per day, which is nearly double the average number for the rest of the year.

According to the Air Transport Association, a record 19.8 million passengers will fly during the week and a half surrounding the Thanksgiving holiday.

Like many Americans, both my daughter and I will be traveling the Sunday after Thanksgiving, traditionally the busiest travel day of the year, and I am hoping for clear weather and smooth travel.

So I look forward to today's discussion on what airports and airlines are doing to keep the planes safe and on-time in the upcoming holiday travel crunch.

For many of Americans, air travel has become a nightmare. Earlier this year, on-time performance hit record lows. Severe weather caused a fair share of the delays, but it is not the only culprit. Delays due to chokepoints in the national airspace system, such as the New York airspace, have negative effects that ripple throughout the system and cause delays nationwide. Outdated airspace management is also partially to blame.

The government's responsibility is to adequately fund capacity improvement programs, FAA staffing and operational needs, and the modernization of the air traffic control system.

After twenty years, modernization efforts finally seem to be moving forward, but efforts in Congress to authorize higher capital funding levels and important FAA programs in the FAA Reauthorization Act of 2007, H.R. 2881, have stalled on the Senate side.

As we enter the holiday travel season, we all know that frustrations are running high. When things go wrong and flights are delayed, we tend to take it out on the airlines -- in part because they are who we interact with during these stressful occasions. But really, this is like blaming truckers for road congestion. The airlines are simply trying to meet the demand of the flying public.

When you look at it, the underlying cause of delays and congestion is that we simply don't have the capacity on the ground and in the air to handle the number of travelers who want to fly.

While there may be plenty of blame to go around, it is more important to focus on how to solve the problem at hand and safely get the most capacity out of the existing aviation system. Long term, we must transform the system through integration of the best technology and new operational procedures.

I am interested in hearing today what airlines are doing to handle the anticipated 4% increase in passenger volume over last year.

In particular, how are the airlines and airports going to accommodate those who may be "bumped" in the case of missed connections or weather delays.

Sometimes, just getting to the gate in time for a flight can cause headaches. The holidays are not the typical business travel day—many passengers will not be accustomed to TSA's procedures. To this end, I am interested in hearing what airports may be doing to assist passengers through TSA security lines in a timely fashion—a particular pet-peeve of mine having missed flights due to security back-ups.

Thanksgiving is about home and family. I sincerely hope that this time next week, home is where we all are and family is what we are thinking about.

I thank the witnesses for appearing today, and more importantly, for the work they are doing to ensure a smooth holiday travel season.

I yield back the balance of my time.

Congress of the United States
Washington, DC 20515

November 5, 2007

The Honorable Mary E. Peters
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Peters:

We write to you with great concern about efforts by the Department of Transportation and the Federal Aviation Administration that would restrict access to the airports in the New York/New Jersey airspace or increase prices on flights to these airports.

As we are all aware, commercial air travel in and around the New York Metro Area was disrupted by devastating delays over the summer. We all agree that the status quo is unacceptable; however your recent proposal puts the economic prosperity of the region, the airports, and more than 38,000 residents of our districts employed by the airlines at these airports at risk.

Your proposal shows a lack of appreciation for the desire of both business and leisure travelers to fly into all three of the Port Authority controlled commercial airports, Kennedy, LaGuardia, and Newark Liberty. Passengers in both categories will always demand flights into the area. Therefore, it serves no purpose to restrict access or artificially drive up prices. Additionally, because commercial aviation is not the sole cause of the congested airspace in the region, we are dismayed that you have made no similar attempts to regulate or engage the general and business aviation community.

We do not believe the most crowded air space in the country is the appropriate venue to experiment with previously untested methods for regulating air travel, such as congestion pricing. There is no evidence that a reduction in flights will result from this model. Ultimately, we fear the result of congestion pricing will not be a reduction in flights, but a reduction in the number of families able to afford flights. As New York City remains the financial capital of the world, business travelers will always be willing to pay top-dollar for flights during peak travel hours, and the families living in our communities could suffer most from increased ticket prices.

Additionally, recognizing the significant international air travel originating and terminating at Newark Liberty Airport and Kennedy Airport, it makes little sense to apply your proposed pricing model to only domestic carriers. At Kennedy Airport alone, 60 foreign-flag carriers accounted for 54 percent of all international departures in July. International carriers will certainly take advantage of a void in the market caused by domestic carriers being priced out of operating international flights. Furthermore, your plan fails to account for the international traveler not originating in the New York/New Jersey Metro area who requires a connecting flight through Kennedy Airport. Therefore, any proposals to reduce flights occurring at these airports, as ill-conceived as they may be, must apply across the board and fall in line with the International Air Transport Association Association's (IATA's) World Scheduling Guidelines (WSG).

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We strongly urge you to return to the drawing board, recognizing the vital role commercial aviation has on the economic prosperity of the region.

Instead of looking at untested proposals, an immediate step to fix airspace congestion would be the appointment of an "airspace czar" to evaluate congestion at every step of the flight process – from tower control, to the TRACON, to the routing center. This model was used successfully to solve South Florida's airspace challenges in 2005, yet no similar steps have been taken to address the situation for New York and New Jersey in the short or long term.

In addition to the appointment of an individual to oversee the airspace, there are also technology upgrades that could improve the management of aircraft in flight. Developing and implementing Area Navigation (RNAV) technologies would allow for precise management of the distances between aircraft and could for the first time allow Kennedy to operate all four of its runways simultaneously.

Before dramatically reducing flights or driving up prices for local families, we urge you to exhaust all technological and staffing alternatives.

We look forward to continuing to work with you to solve the air congestion problem in the region, while ensuring that New York and New Jersey remain affordable and viable air destinations.

Sincerely,

Nita M. Lowey
Member of Congress

Albio Sires
Member of Congress

Steve Israel
Member of Congress

Bill Pascrell Jr.
Member of Congress

Hillary Rodham Clinton
United States Senate

Charles E. Schumer
United States Senate

Gregory Meeks
Member of Congress

Donald M. Payne
Member of Congress

John "Randy" Kuhl
Member of Congress

Steven R. Rothman
Member of Congress

Michael McNulty
Member of Congress

Frank Pallone Jr.
Member of Congress

Vito Fossella
Member of Congress

Rush Holt
Member of Congress

Jerrold Nadler
Member of Congress

Mike Ferguson
Member of Congress

Eliot Engel
Member of Congress

Frank LoBiondo
Member of Congress

Yvette D. Clarke
Member of Congress

Rodney Frelinghuysen
Member of Congress

Peter King
Member of Congress

Jim Saxton
Member of Congress

Edolphus Towns
Member of Congress

Christopher Smith
Member of Congress

Tim Bishop
Member of Congress

Robert E. Andrews
Member of Congress

Brian Higgins
Member of Congress

Gary Ackerman
Member of Congress

Maurice Hinchey
Member of Congress

Carolyn Maloney
Member of Congress

Jose E. Serrano
Member of Congress

Thomas M. Reynolds
Member of Congress

TESTIMONY OF RICHARD ANDERSON
CHIEF EXECUTIVE OFFICER, DELTA AIR LINES, INC.
BEFORE
THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE ON AVIATION

HEARING ON AVIATION AND AIRPORT HOLIDAY TRAVEL PREPARATIONS
NOVEMBER 15, 2007

Chairman Costello, Congressman Petri and members of the Subcommittee, it is a pleasure to appear before you today to present Delta's plans for addressing potential customer and operational challenges over the Thanksgiving and December holiday season. We certainly understand and appreciate your concern for our customers and the traveling public in general during this season. Likewise, we are grateful for the opportunity to share our plans to deliver a hassle free and enjoyable holiday travel experience to our customers.

My testimony also provides an update on Delta's participation in the ongoing discussions with DOT and FAA to address the problems of congestion and delays in the New York region. These issues are part and parcel to the unacceptable travel experience our customers endured this past summer. We are committed to working with you and other stakeholders to see that they are corrected in the best interest of the traveling public and the industry alike. As you know, there are very significant policy issues involved in that process that will have a profound impact on all of Delta's stakeholders and our ability to become a major competitor in the global marketplace.

Holiday Travel Preparations

Delta and the rest of the industry operated at record load factors over the summer, and we anticipate that those records will continue through this busy holiday season. Overall capacity will actually be down slightly from the busy summer travel season, but the total number of

passengers we expect to carry Thanksgiving week will be similar to the number we transported during the same period in 2006. Last year, we carried approximately 1.8 million passengers during the Thanksgiving week, and our forecasts are for just over 1.8 million this year.

Our goal is to deliver the best possible service to our passengers at every opportunity. We know and care for our customers and ultimately believe that providing superior service and meeting our goals and their needs is paramount to our success. The high number of leisure travelers we expect to see during the holiday travel season makes those tasks more challenging, but it also makes them more essential.

Success requires extra planning, ample staffing, and robust communication - internally at Delta, with the federal agencies and airports that impact our operation, and most importantly, with our passengers. Each day we fly, we set operational and contingency plans and deploy staff – including flight crews, maintenance personnel and both above and below wing customer service agents -- based on our expected load factors. Our goal is always to execute a reliable operation with high completion factors in the face of record load factors. In light of the high passenger volumes and load factors we project for holiday travel periods, we also take a number of additional steps to ensure we are able to execute our operational plans, meet our customers' needs and provide the level of service they expect and deserve.

The specific steps we have implemented for the upcoming Thanksgiving and Christmas holiday travel periods fall into three broad categories: **Operational planning** – meaning we ensure equipment is in place and operational in order to meet expected passenger volumes as well as respond to irregular operations and potential cancellations. **Staffing** – meaning that we adjust duty rules, crew bidding, time off and incentive pay to ensure we have staff coverage appropriate for meeting passenger volume and responding to irregular operations. And finally,

Communication - specifically, we ensure that all our internal departments provide timely information on the operation to our leadership; we coordinate with airports and federal agencies to make them aware of our expected passenger counts so that they can adjust their staffing as well; we ensure that our employees understand their responsibilities during both normal and irregular operations; and most importantly, we ensure that our customers have accurate information about what to expect before and during their travel experience, including schedule changes and contingency planning in the face of irregular operations driven by winter weather and air traffic system delays.

Operational Planning

As part of our continuing commitment to deliver a hassle free travel experience to our customers, we have dedicated a significant amount of effort toward introducing technology where appropriate. Throughout our system, we have led the industry in the implementation and use of "kiosks" and on-line check-in to allow our customers to arrive at the airport prepared to move quickly to gates for their flights. For example, at Hartsfield-Jackson Atlanta International Airport, the world's busiest airport, we have completely redesigned our departure lobby to move our customers from the curb to security in the most efficient manner possible. This season our customers will be able to stop at a kiosk and utilize our "drop and go" baggage check-in, which automatically prints their bag tags and reduces queuing at the baggage conveyors. While this goes a long way toward reducing the hassle factor at check in, it has had the result of moving the queues to the security lanes and highlighting the critical need for the TSA to step up its responsibility to staff accordingly.

On the arrival side, Delta is well into the process of redesigning our Atlanta baggage

handling system to ensure our customers not only arrive on time but also receive their belongings in a timely manner. By the week of Thanksgiving, we will have replaced two of our nine Atlanta baggage claim carousels with new, larger and quieter units that are appropriate for the higher volume of bags we have seen since the TSA liquids ban was put into effect earlier this year. We expect to have all nine Atlanta baggage claim units replaced by early 2008. In addition to these structural improvements to our baggage claim system at our largest hub, Delta has made improvements to our baggage handling processes throughout the system, including the implementation of baggage scanning and standardized loading of aircraft as part of our internal commitment to raise our DOT mishandled bag ranking to the top half of the industry by next year.

Once at the gate, our customers will see Delta's continued focus on departing on time. In order to ensure our flights depart as scheduled, we implemented a policy to close the aircraft boarding door 3 minutes prior to departure to allow for all customers to be seated and final aircraft preparations completed in time to push the aircraft back on schedule. While this has the potential to impact customers arriving late to the gate for a variety of reasons, we must balance the needs of those already on board with those who may be a little late. As always, our supervisors are empowered to weigh the circumstances (number of late passengers, re-accommodation options, etc) and adjust that policy if necessary.

Within our own operation, our Operations Control Center (OCC), which manages the operation from 72 hours prior to flight departure through completion, maintains a continuing dialogue with every department at Delta to ensure they are prepared to meet our customers' needs. As I am testifying today, our OCC team is leading discussions with groups that will continually evaluate our flight crew staffing, equipment availability and positioning, parking

plans, Ground Support Equipment (GSE) availability, possible de-icing needs, cold weather plans, Delta Connection (regional partner) preparedness and ATC coordination. As the holiday seasons near, they will step up communications with each of our stations and continue that dialogue on a daily or even hourly basis throughout the season.

Finally, Delta is also committed to working with all federal and local agencies to take advantage of short term opportunities to increase airspace capacity during peak travel periods.

Staffing

To ensure that we meet our staffing targets and have ample staff in place to meet our customers' needs during the holiday travel period, Delta "Leaders" – supervisors and other experienced personnel - will NOT be permitted to take vacation days during critical holiday travel periods, and we will ensure that they are engaged and visible at each of our stations throughout the holiday, including Thanksgiving Day. Time-off grants have been significantly reduced for other front-line personnel, and overtime is being made available for unforeseen events. We will hold daily conference calls between our airport locations and our Operations Control Center (OCC) so that we can make staffing adjustments as necessary.

In terms of flight crew staffing for the upcoming holidays we are in a much better position this year due to the fact that we have offered recall to all furloughed pilots and flight attendants and bolstered our pilot ranks by hiring over 350 new pilots so far this year. We are also coordinating with pilots who request military leave around holidays to adapt their trips so they can meet their military requirements while still supporting the schedule, and we are making it easier for spouses of pilots and flight attendants on duty over the holidays to accompany their loved ones to their layover destinations. We have implemented holiday trip coverage procedures

to ensure we have greater numbers of flight crew staff on "reserve" – in other words, on-call staff able to fill-in at the last minute – with numbers significantly increased during the second half of December as well. Our In-Flight department (Flight Attendants) has also implemented rules to prevent employees from switching scheduled work-days during the holidays, is requiring doctors' notes for employees who call in sick, and is offering incentive pay for flying performed on December 24th and holiday pay for flying performed on December 25th and 31st, and January 1st.

Equipment

A critical part of ensuring we meet our customers' needs and recover quickly from irregular operations involves ensuring that our equipment is in top condition and is repaired and returned to service as quickly as possible. To that end, our maintenance division – Tech Ops -- will be staffed at full compliment throughout the Thanksgiving and December holiday periods. To date in 2007, our maintenance reliability has been at record levels, nearly a full point above last year. While this may not sound like much, if we had last year's maintenance reliability, Delta would have canceled over 700 additional flights, impacting over 70,000 passengers.

Also, with the high load factors expected during the holiday season, Delta is critically aware of the need to complete as many of our flights as possible. Similar to maintenance reliability, our year-to-date completion factor is well above industry average. To put that in perspective, if Delta had industry average completion factor, we would have canceled over 3,000 additional flights. However, circumstances sometimes arise that do force us to cancel flights, and high load factors then impact our ability to re-accommodate our customers on later flights to their destinations. In anticipation of that eventuality, we have scheduled numerous additional

sections across the system to provide a safety valve should that happen. Compared to the week prior to Thanksgiving:

Date	Extra Sections
Saturday 11/17	+15
Sunday 11/18	+3
Monday 11/19	+20
Tuesday 11/20	+24
Wednesday 11/21	+18
Thursday 11/22	+7

As I mentioned previously, however, we are not focusing solely on aircraft availability. We are constantly evaluating our Ground Support Equipment availability and preparedness to ensure that once the aircraft arrive at the gate, there are adequate tugs, baggage carts and jetways to allow for towing and unloading of our flights.

In addition, because the Northeast is more prone to winter weather events during the Thanksgiving period than our other major hubs, we have an irregular operation (IROP) readiness plan in place specifically to address winter weather issues such as aircraft de-icing and runway, taxi-way and tarmac snow removal, and we will conduct a walk-through exercise prior to Thanksgiving week to validate that plan or adjust it as necessary. We participated in a November 8th JFK airport deicing meeting to ensure appropriate coordination between all airport tenants in the event of a winter weather event. Further, we installed plows on our JFK pick-up trucks, have two pad commander trucks ready for deice operations with a third on order, have ensured our deice trucks are filled with de-icing agent and in the ready position (there are 12 currently filled), and ensured that our stations have adequate reserves as well. We will also hold

a holiday readiness meeting with all of our JFK vendors on Friday, November 16 as well as a pre-holiday discussion with the Port Authority of New York & New Jersey regarding IROP handling and its ability to help/support Delta if needed. Our JFK station management team is also engaged in regular discussions with teams from LaGuardia (LGA) and Newark (EWR) about how we best use our resources to support our passengers during an IROP.

Communication

The final element of making the holiday travel period a success is ensuring that there is robust information flow both within Delta, between Delta and the federal agencies and airport authorities we interact with, and most importantly, with our customers. In addition to extensive morning, afternoon, and evening operational planning sessions held daily to identify potential weather systems, aircraft routing issues, and the possible need to reduce or cancel flights to ensure the greatest number of passengers arrive at their final destinations, we also hold regular conference calls between Delta stations and our Operations Control Center during the holiday period to assess how the operation is running. These calls help identify any changes that may be necessary to staffing, equipment rotation, flight routing or other factors to ensure the operation runs efficiently and can recover quickly from any cancellations or delays driven by weather, ATC system slow-downs or other factors outside Delta's control.

Any time our scheduled flights are impacted by weather, ATC, or other factors leading to delays or cancellations, our automated customer notification system – Delta Messenger -- automatically provides up to date information to all customers (using preferences for those who have signed up and provided us with specific contact information) regarding delays, cancellations, or schedule changes for their specific flights. Our gate agents and flight crews

also make timely announcements regarding the status of delayed flights. For flights that are delayed or cancelled at the beginning of a planning day because of forecasted severe weather or other events, we also pro-actively re-book and reaccommodate impacted customers, and notify them of the status of their original flight(s) and how they have been re-accommodated.

We have also communicated accurate and current information about our load factors and the composition of our passenger traffic so that federal government agencies that impact our operations can adjust their staffing and schedules accordingly. Specifically, we are providing TSA with information about our passenger loads at each station and are working with TSA Federal Security Directors to assist in the development and implementation of their holiday staffing plans. Given our experience with the agency last year, TSA staffing was generally adequate to meet customer throughput needs, and we certainly hope for the same this year. Likewise, we are working with Customs and Border Protection to provide them with our expected international passenger loads so the agency's staffing resources are adequate to ensure our customers do not experience extended delays in immigration and customs inspections upon entry into the U.S.

It is vitally important that federal agencies that we depend on to perform our services match our robust staffing and planning activities to deliver a good operation and excellent customer service.

Customer Service Commitment

In addition to advance planning we undertake to meet the volume of passengers who will fly over the holidays, one of our primary commitments is to deliver excellent customer service in the face of extreme weather events or air traffic control system delays. Delta has implemented

very detailed and comprehensive plans throughout our system to prepare for and even avoid extended tarmac and airport delays, but we are also prepared to care for our customers appropriately if and when they do occur. At airports like JFK, where congestion has been a significant problem this year, our plans include close coordination with the Port Authority of New York/New Jersey (PANYNJ) to get inbound or outbound flights with extended ground delays to a gate. These plans are activated for all delays whether they involve extreme weather or other circumstances that lead to customer inconvenience.

Consistent with our Customer Service Commitment, originally adopted in 1999 and recently updated, and our internal Operations Control Center (OCC) procedures, Delta has enhanced its well-defined processes to ensure that extra provisions, including food, water and lavatory servicing are made available to flights with ground delays or holds exceeding two hours. In addition, our OCC is notified of any lengthy delay, and each such flight is closely monitored to promote timely communication with the flight crew and station to determine the best course of action for our customers, whether it be cancellation, a return to the terminal, or continuation to destination. For any delay reaching two hours, Company Senior Executives are notified of the situation to enlist their involvement in the decision-making process.

At JFK, we have hired over 900 front line personnel this year alone to ensure that we can better serve our customers' needs in that challenging environment. We also implemented a plan to meet the needs of Delta customers stranded in our two terminals for extended periods due to excessive delays or cancellations. These include the purchase of extra cots and the provisioning of water, snacks, soft-drinks and meal and hotel vouchers should they become necessary. Delta has also identified personnel to provide special care to unaccompanied minors and elderly or disabled passengers should they be caught up in an irregular operation.

Mr. Chairman, as you are aware, in September the Department of Transportation's Inspector General released the long-awaited report on "Actions Needed to Minimize the Impact of Long On-Board Delays." This report included a number of recommendations to: improve the customer experience in the face of extended delays; improve the availability of information for passengers regarding flight delays, airline responses to extreme weather and other extended on-board delays; and provide DOT oversight of air carriers and how well they meet their customer commitments.

At Delta we place a very high priority on ensuring our customers have the best experience possible on our flights, and as I have outlined above, we implement extensive plans to mitigate the impact of extreme weather events before they occur and then meet our customers' needs in the face of delays we cannot avoid. With that in mind, we felt it very important to endorse the recommendations of the DOT Inspector General – many of which we have already implemented as part of our Customer Commitment. We continue to modify our commitment to emphasize to the traveling public as well as you and your peers in Congress that we take these recommendations seriously.

To this end we have amended our Customer Commitment and, as appropriate, our Contract of Carriage to include several of the recommendations, including:

- Defining what constitutes an "extended period of time" for on-board delays – two hours for departing flights and one hour for arriving flights;
- Establishing set timeframes to elevate any flight experiencing lengthy taxi-in and taxi-out delays to senior operational leaders in order to seek expedited resolution – one hour for arriving flights and two hours for departing flights, depending on airport conditions,;

- Posting to delta.com Delta's Customer Service Commitment and Contract of Carriage;
- Identifying and resolving issues within Delta's control that lead to chronically delayed flights to ensure each flight operates consistently on schedule;
- Providing customers, upon request, with on-time performance information for any Delta or Delta Connection flight during the reservation process --via reservation agent or via a link to Delta's on-time information provided on delta.com;
- Reviewing incidents of lengthy on-board delays to identify trends and causes in order to implement solutions and mitigate future similar events; and
- Complying with policies governing long on-board delays.

Delta also is committed to taking the following steps to adopt additional recommendations of the Inspector General that we had not previously implemented. These include:

- Posting historical on-time information by flight on delta.com;
- Regularly auditing compliance with our Airline Customer Service Commitment;
- Voluntarily and proactively working with airports to establish and adapt processes for mitigating lengthy on-board delays;
- Participating in a national task force with DOT, FAA, airports and airline peers to coordinate and develop contingency plans for dealing with lengthy on-board delays, including sharing facilities and making gates available for use during emergencies; and
- Complying with the Bureau of Transportation Statistics' new reporting requirements to capture all events resulting in long on-board delays, such as flight diversions.

The IG's recommendations provide a good framework with which we can make that commitment, and we are pleased to take on these new obligations in areas we are able to control.

However, the most significant contributors to customer frustration and inconvenience – systemic delays and congestion, especially in the New York area – are very much outside of our control. While we will do everything within our power to help reduce delays and congestion where we are able, we believe that it is incumbent upon the DOT, the FAA and the Congress to put a fair and effective framework in place to ensure that passenger demand is met through improved capacity. In the interim, while capacity improvements are implemented, there exists a fair and market-based framework to allocate scarce New York access resources. It must recognize historic investment, protect U.S. jobs, allow the U.S. to meet its international obligations, and allow new entrants to the market without discriminating against U.S. carriers.

New York Airspace Congestion and Operational Limitations at JFK

Delta is committed to working with the Department of Transportation and the FAA to find a solution to the unacceptable congestion and delays at JFK. A recurrence of what our customers experienced last summer is unacceptable both for them and our operation. Near term fixes and long-term plans must be put in place quickly to avoid a repeat in 2008.

Even before DOT called for the scheduling reduction meeting, Delta was taking voluntary unilateral steps in an effort to address this problem. For example, Delta had already published significant changes to its JFK schedule for 2008, including:

- Smoothing of operations through the day by adding a third transatlantic bank in the off-peak hours using new, smaller narrow-body 757-200ER aircraft capable of international flying during off-peak periods;
- Focusing growth outside of existing peak congested periods;
- Smoothing arrival peaks by spreading arrivals throughout the day, while preserving convenient connections to Delta's international service; and

- Increasing average seats per departure by 10% through, among other things, upgauging of many domestic feed markets to larger gauge mainline aircraft, eliminating Dash-8 Turboprop service, and introducing new 76-seat regional jets in connecting markets previously served with smaller commuter aircraft.

In addition to these unilateral efforts implemented before FAA convened the scheduling reduction meeting, Delta made it clear to the DOT and to FAA that it is willing to make additional, difficult sacrifices as part of a voluntary industry-wide solution at JFK *if* the process as a whole is fair and non-discriminatory and respects the historic rights of those carriers, like Delta, which have invested hundreds of millions of dollars and thousands of jobs over the last several decades to build their current networks at JFK.

The FAA Targets Must Be Raised

The proposed targets FAA has recently set for JFK operations are too low. For the four decades between 1969 and 2006, JFK operated successfully under the High Density Rule (HDR), codified at 14 CFR part 93, subpart K. As the October 16 Notice acknowledges, the HDR limited aircraft operations at JFK only during the five hours of peak transatlantic demand: 3:00 pm through 7:59 pm local time. *See* 14 C.F.R. 93.133(b). Moreover, for more than two decades (since 1984), the level of operations permitted at JFK under the HDR during the period when caps applied was significantly *higher* than what the FAA now proposes. The HDR caps ranged from 6 to 15% higher in every affected hour except 7:00-7:59 p.m., as reflected in the following table:

Time Period	Air Carrier	Commuter	Other	TOTAL	% Higher Than Proposed New Caps
1500-1559	69	15	2	86	6%
1600-1659	74	12	2	88	9%
1700-1759	80	13	0	93	15%
1800-1859	75	10	2	87	7%
1900-1959	63	12	2	77	-5%

Source: 49 Fed. Reg. 8237, 8241 (1984), *codified at* 14 C.F.R. 93.123.

These significantly higher caps, which only applied during a limited peak period each afternoon, were sufficient to manage congestion at the airport for more than twenty years.

Effective January 1, 2007, the restrictions imposed by the HDR expired at JFK pursuant to 49 U.S.C. § 41715(a)(2). Now, less than one year after that expiration, the FAA proposes to cap JFK's operations at significantly *lower* levels than were adequate to serve the public interest for more than twenty years. There is no reason why air carriers and the public should suffer this restriction on service at the airport before the FAA implements all operational and procedural solutions identified by Delta and other stakeholders in the New York ARC. At a minimum, the targets should reflect the tested and proven historical baseline capacity at JFK as set forth in the HDR, and also the likely expansion of that baseline capacity that will result as the FAA implements the more than 75 near term capacity improvement projects identified by the Operational/Infrastructure Improvements working group of the NY ARC. The current targets take no account at all of the effect of this essential near term expansion of capacity at JFK.

These low operational targets for JFK will harm the public interest by severely and unnecessarily constraining the services that U.S. commercial air carriers are able to provide to the traveling public. FAA proposes to cap JFK operations at 80 per hour from 6:00am - 2:59 p.m. and 8:00 p.m. - 9:59 p.m., increasing to 81 from 3:00 p.m. - 7:59 p.m. This would reduce service levels by more than 20% from current published schedules during certain peak periods. As the Port Authority has observed, if this limitation had been in place at the airport last year, it would have resulted in the denial of service to nearly *3.4 million* passengers, or almost 10,000 per day.

But that statistic understates the harm to the public because it does not account for the damaging effects this capacity constraint would inflict on U.S. airline networks. Delta operates a major international gateway from JFK, currently offering U.S. flag service to 33 destinations around the world with published plans to expand to more than 50 international destinations in 2008. Delta offers service to points in India, Europe, Latin America, the Middle East, and Africa (most of which are unique destinations served by no other U.S. carrier). This major international gateway at JFK benefits not only the millions of passengers in the huge local New York market but also the millions more who enjoy convenient online one-stop service from dozens of small, medium and large communities throughout the United States via JFK to the world. Both Delta's international gateway at JFK and service to those communities are gravely threatened by the FAA's proposed caps at the airport.

The viability of Delta's international operation depends upon the traffic Delta collects throughout its domestic route network and connects via JFK to the world. Fifty percent of the passengers on typical Delta 767-300 transatlantic flights departing from JFK are connecting passengers, and, of those, roughly half are connecting from flights operated by Delta Connection

carriers flying regional jet service to the airport. If the FAA imposes artificially low caps that make it impossible for Delta and its Delta Connection partners to operate enough domestic flights to support this international service, the FAA will not only deny service to the small and medium-sized communities whose flights Delta will be forced to cancel, it will also undermine Delta's international service itself. In other words, the caps would harm New York and *all* U.S. communities that would otherwise benefit from these services. The restrictions would also impede the execution of a crucial component of Delta's business plan as we have emerged from bankruptcy, and they would threaten our continuing recovery.

Similarly, to the extent that DOT and the FAA place the burden of meeting these unreasonably low caps entirely on the backs of U.S. carriers, it will undermine the competitiveness of U.S. carriers relative to their foreign flag competitors.

Obviously, DOT and the FAA must minimize the extent to which they inflict this kind of harm on air carriers and the traveling public. In carrying out its regulatory functions, the FAA must, among other things:

> encourag[e] entry into air transportation markets by new and existing air carriers....
>
> promot[e], encourage[e], and develop [] civil aeronautics and a viable, privately-owned United States air transport industry
>
> strengthen[] the competitive position of air carriers to at least ensure equality with foreign air carriers, including the attainment of the opportunity for air carriers to maintain and increase their profitability in foreign air transportation
>
> ensur[e] that consumers in all regions of the United States, including those in small communities...have access to affordable, regularly scheduled air service

E.g., 49 U.S.C. § 40101(a)(13)-(16). The proposal to cap JFK at 80-81 operations per hour fails to meet these core air transportation statutory policy objectives because it caps JFK operations at unreasonably low levels.

Delta has urged FAA to revise the current targets upward to the maximum extent

possible. At a minimum, the limits imposed now at JFK should be no more restrictive than those which were imposed under the HDR rule that expired only ten months ago. Any caps imposed should also build in aggressive increases to be phased in on a specific timeline that holds FAA itself accountable for achieving the expected growth in capacity as it fulfills its responsibility to implement the near-term capacity improvements described above.

The Northeast Airspace Must Be Fixed

The DOT's overall proposed approach is also flawed because it ignores the fact that the congestion and delay concern at JFK is fundamentally a New York area airspace issue and not simply a problem caused by commercial air carrier schedules at JFK. There are fifteen commercial and non-commercial airports in the New York Terminal Radar Control area (TRACON), and commercial airline operations represent only 53% of the total operations. As reflected in the following chart, the three primary commercial airports in the New York region all operated significantly below both their FAA-published design capacity *and* the capacity rates "called" by the FAA each day based on factors like weather, turbulence, etc., for each airport, during the period from January – April 2007.

Airport	Design Capacity	Average FAA Call Rates	Average Actual Rates
JFK	100 ops/hr	84	68
LGA	81 ops /hr	75	65
EWK	94 ops /hr	74	67

Source: Federal Aviation Administration, Aviation System Performance Metrics.

In other words, these airports – and JFK and EWR in particular – are operating at far below their design capacity. The problem is not unique to JFK and it is not the result of a lack of runway space or over-scheduling. There is ample concrete for commercial airlines to operate their existing schedules. The problem is ineffective management of the complex New York area airspace.

Therefore, the only real solution is one that addresses the airspace issue. The Air Transport Association and the Port Authority have made the FAA aware of multiple short-term, realistic steps that can be taken immediately to dramatically increase New York area airspace throughput. These include appointment of a New York airspace "Czar" at the FAA who is empowered to coordinate the activities of the Air Traffic Organization in and around New York airspace - a measure taken in 2005 for South Florida that has been extremely successfully. Delta's South Florida delay rate came down by 40% and taxi-out delays over 90 minutes were reduced by 69%. Others include using 3, if not all 4 of the available runways at JFK, rather than continuing the current practice which only permits use of two; staffing to meet peak demand periods at ATC facilities; providing ATC staff with incentives to meet both realistic capacity and safety targets; immediate deployment of area navigation (RNAV) with phased required navigational performance (RNP) requirements – in other words, precise, satellite-based approach and departure patterns at the New York region's three main commercial airports; and acceleration of the Northeast Airspace Redesign, among others.

Despite the fact that this is a New York airspace issue, and not just a JFK scheduling issue, the DOT's proposed solution would allocate the entire burden of resolving it on the backs

of U.S. commercial air carriers who have invested hundreds of millions of dollars over the years to build significant scheduled operations at JFK. The FAA in its schedule reduction conference meetings seeks cuts only from U.S. commercial air carriers, and only at JFK. The FAA has not yet sought reductions at Newark (which currently operates without slot restrictions of any kind), nor has it proposed any restriction on general aviation from nearby Teterboro, Morristown, Westchester airports or otherwise.

The most alarming aspect of the DOT/FAA process is that it seeks no cuts from foreign flag carriers. This attempt to lay the entire burden of the New York airspace problem on the backs of U.S. commercial air carriers serving JFK is unfair and discriminatory. Worst of all, it is doomed to failure, since it will simply shift the demand for airspace from JFK to other New York area airports. Capacity caps at JFK alone will have little or no impact on the real problem.

The DOT Cannot Discriminate Against U.S. Flag Carriers

The DOT's proposed solution for JFK is also fundamentally flawed because it asks U.S. carriers voluntarily to accept a system of blatant discrimination, in which the historic rights of foreign flag carriers are protected without exception and those of U.S. carriers are ignored.

Any Solution Must Recognize JFK's Unique International Role

The DOT cannot ignore the uniquely international character of the New York gateway in general, and JFK in particular. New York is the largest and most important international destination in the United States by far. One in five international passengers travels to or from New York. The New York market is twice as large as Los Angeles, and three times the size of Miami – the next closest alternatives.

JFK alone represents one of the most important international gateways in the country for

both U.S. and foreign flag carriers. As discussed above, Delta has established a major U.S. flag international gateway at JFK. American Airlines and JetBlue also operate significant international services from this airport. More than 60 foreign flag carriers offer service at JFK. In the August 2007 schedules, international services represented almost one-third of the total scheduled operations at the airport, and foreign flag carriers were responsible for more than half of that service.

DOT's Approach Discriminates Against U.S. Carriers By Grandfathering All Foreign Carrier Services And Seeking Cuts Exclusively From U.S. Carriers

Despite the unique international character of JFK and the heavy presence of foreign air carriers at the airport, the FAA has only sought reductions from U.S. carriers, and it has already granted historic status for the operations of foreign flag air carriers based on their summer 2007 flights if requested for summer 2008. In other words, the same notice that declared JFK a Level 3 coordinated airport under the IATA WSG also made clear that FAA will reject the core principles of fairness and non-discrimination underlying those IATA guidelines. Incredibly, the FAA will respect the historic rights of foreign carriers, consistent with the IATA WSG principle that such historic rights are the core of the slot allocation process. However, DOT will deny those same historic rights to U.S. carriers.

DOT and FAA's excuse for this incomprehensible discrimination against U.S. flag carriers is the language of 49 U.S.C. § 41722, which allows the Secretary to convene a scheduling conference with "air carriers" for the purpose of seeking schedule reductions at congested airports when the Secretary and Administrator determine that it is necessary to do so. While it is true that the authority this statute grants is limited to meetings with "air carriers," *i.e.*, U.S. flag carriers, this means only that foreign flag carriers are not explicitly included within the scope of this particular statute. Nothing in 49 U.S.C. § 41722 *prohibits* FAA from also

requesting "voluntary" reductions from foreign flag carriers if necessary to implement initially a slot system at an airport the FAA has determined must be redesignated as Level 3 and coordinated pursuant to the IATA WSG. To the contrary, seeking such voluntary concessions is precisely what is expected of the Schedules Facilitator under the IATA guidelines at a *Level 2* airport – one in which congestion levels make it necessary to seek "voluntary cooperation" from the airlines in adjusting schedules to deal with congestion concerns short of the imposition of caps on operations.

Obviously, this general authority to issue orders or regulations that are necessary to ensure the safety of aircraft and the efficient use of the airspace would apply with equal affect to the operations of domestic and foreign air carriers. There is no legal basis for suggesting that FAA could force U.S. carriers to reduce their operations at JFK pursuant to this general power, but that it could not impose the same burdens or restrictions on foreign flag carriers. In fact, DOT *cannot* impose any restrictions on U.S. flag carriers that disadvantage them relative to their foreign competitors. To the contrary, the Secretary must to seek to "strengthen[] the competitive position of [U.S.]air carriers *to at least ensure equality with foreign air carriers*, including the attainment of the opportunity for air carriers to maintain and increase their profitability in foreign air transportation" when carrying out its regulatory functions.

The Federal Aviation Act expressly *prohibits* FAA from withdrawing a slot (under the old High Density Rule) from a U.S. carrier and reallocating it to a foreign carrier if U.S. air carriers are not provided similar preferential treatment in the foreign air carrier's country. In other words, Congress has made crystal clear its intent that DOT must *not* do precisely what it is proposing to do here – discriminate against U.S. flag carriers by giving foreign carriers preferential treatment in slot systems at U.S. airports when U.S. carriers are denied those same

preferential treatments at airports abroad.

The bottom line is that DOT and FAA's orders and regulations must "at least ensure [U.S. air carriers'] equality with foreign flag carriers" – and certainly that DOT must not engage in blatant discrimination against U.S. carriers. U.S. flag carriers are routinely locked out of highly-congested airports in Europe (such as London Heathrow) and elsewhere abroad, unless they are able to purchase or otherwise acquire slots at those airports in the secondary market or through other slot usage agreements. Yet DOT's proposed treatment of foreign carriers at JFK would reward them with unfair and preferential treatment by exempting them from any share in the pain of addressing congestion at the New York gateway.

DOT's Approach Will Undermine The Ability of U.S. Carriers to Compete With Foreign Flag Carriers From This Gateway

By forcing U.S. carriers to shrink their domestic operations at JFK, DOT will undermine the ability of U.S. carriers to compete with foreign flag carriers in the transatlantic long-haul markets. Thousands of jobs could be lost if Delta were forced to dramatically reduce its JFK schedules and abandon its efforts to compete with foreign carriers in those markets.

Delta's transatlantic operations from JFK depend upon the critical domestic traffic which Delta collects throughout the United States and connects over JFK to the world. That is service FAA now proposes to suppress with its discriminatory caps at the airport. In contrast, the foreign flag carriers with whom Delta competes in the transatlantic markets support their international service primarily with domestic feed they collect in Europe or otherwise beyond their European hubs.

These foreign carriers face no similar discrimination against regional and domestic service at international airports feeding their transatlantic services to JFK. The slot systems in place at congested airports in Europe do not pick and choose among the fundamental principles

underlying the IATA WSG. While there may be minor local variations, slot systems at European hubs and at other foreign airports around the world uniformly protect historic rights of all carriers serving the airport. They do not discriminate between domestic and international service, or between large and small aircraft.

For example, the EU Slot Regulation requires that slots be allocated in "a neutral, non-discriminatory and transparent way," tracking directly the fundamental principle underlying the IATA guidelines. The primary slot allocation principle, again consistent with the IATA WSG, is the protection of the historic rights of all carriers serving the airport without discrimination against domestic service. There is no provision in the regulation creating a preference in favor of foreign (*i.e.*, U.S.) flag carriers. To the contrary, the regulation permits a special preference under narrow circumstances for certain *domestic* scheduled services.

In other words, if U.S. carriers want access to congested foreign airports, even under the most liberalized bilateral aviation services agreements, they must first obtain slots. For example, despite the broad air service rights granted to all U.S. carriers under the historic new U.S. – E.U. Open Skies Agreement, Delta was only able to obtain access to London Heathrow airport after it acquired the right to use London Heathrow slots through its recently-announced joint venture agreement with its European alliance partner Air France. Similarly, Continental announced in its most recent Form 10-Q filing with the Securities and Exchange Commission that it had committed to pay *$130 million* for an unspecified number of London Heathrow slots.

There is no reason to apply any different standard to foreign carriers who want to operate to congested airports in the United States. U.S. flag carriers deserve a level playing field. It is DOT and FAA's legal duty to give them one. DOT or FAA regulations or orders that suppress the domestic networks of U.S. flag carriers operating at JFK, while foreign flag carriers suffer no

similar restrictions on domestic service feeding their foreign hubs, will directly undermine the ability of U.S. flag carriers to compete with the foreign carriers from the New York gateway. Granting foreign flag carriers privileged access to congested airports in the United States while U.S. flag carriers receive no similar special treatment abroad will have the same result. These perverse outcomes violate the specific Congressional directives. DOT must seek to "strengthen[] the competitive position of air carriers *to at least ensure equality with foreign air carriers*," and cannot reallocate slots from U.S. to foreign carriers unless U.S. carriers receive the same privileges abroad.

The FAA should request voluntary reductions on the part of *all* carriers serving the airport, not just the U.S. flag carriers. There is no basis in law or policy for excluding foreign carriers from this process. At a minimum, all carriers should be asked to contribute in direct proportion to their current service levels at the airport.

Dot Should Guarantee Carriers Who Reduce Service Voluntarily That Their Historic Service Rights Will Be Restored Before New Capacity Is Made Available To Other Carriers

Assuming that (1) caps are actually necessary, (2) the proposed targets are reset upwards to an appropriate level, (3) appropriate steps are taken at all New York area airports rather than only at JFK, and (4) all carriers serving JFK are asked to share at least proportionally in the pain necessary to implement the caps, then the FAA must still ensure that the historic operating rights of all carriers are given equal protection to the greatest extent possible. To successfully achieve "voluntary" reductions, DOT must reassure all carriers who agree to make sacrifices that their historic rights will be given the same respect as their competitors who do not agree to make such sacrifices. In particular, DOT cannot expect U.S. carriers to volunteer significant cuts in their planned operations without binding assurances that that the capacity freed up by those painful

cuts will not simply be turned over to their competitors – foreign or domestic – now or at any point in the future. No capacity should be made available for new scheduled services until *all* services that incumbent carriers agreed to cancel as a part of this scheduling conference has been restored.

Going Forward, All Carriers Must Receive Non-Discriminatory Treatment Under The Globally-Accepted Market-Oriented IATA Worldwide Scheduling Guidelines

Finally, once the initial implementation of a Level 3 slot coordination system at JFK is completed, it should be administered in a neutral, non-discriminatory and transparent way, consistent with the IATA guidelines. In short, FAA should implement the IATA WSG in its entirety at JFK.

There are compelling reasons to adopt the IATA WSG for slot coordination at JFK. The most compelling is that it is tested and it will work. The IATA system has been refined over the course of sixty years, and is proven effective for addressing congestion at more than one hundred of the most congested airports in the world. It is dynamic and flexible, allowing for rapid adjustment to changing circumstances as airport capacity changes. It is fair and non-discriminatory. The rights of all carriers are treated with equal protection, pursuant to transparent and neutral rules.

Significantly, adoption of the IATA WSG as the basis for slot coordination at JFK is particularly appropriate given the unique international character of that airport. It is a globally-accepted system, familiar and acceptable to foreign carriers and foreign governments alike. There is no question that a transparent, neutral and non-discriminatory application of the IATA WSG to both foreign and domestic operations at JFK would be fully consistent with U.S.

obligations under the U.S. aviation services agreements with foreign governments.[1]

However, the IATA guidelines would achieve these important foreign policy objectives *without* unduly burdening domestic operations or undermining the ability of U.S. flag carriers to compete for long-haul service to and from this key international gateway. The IATA guidelines treat all operations in a fair and non-discriminatory manner. All historic rights are respected equally, whether those rights are used to operate transatlantic long-haul service, domestic mainline service, or regional jet commuter service to small and medium hub airports. The IATA guidelines establish the ground rules that are applied at congested foreign airports abroad (often to the detriment of U.S. carriers who would like to add service to those airports). Thus, application of these guidelines at JFK would create a level playing field, without giving any unfair advantage to foreign flag carriers or forcing unfair burdens on carriers who offer primarily domestic service from the airport.

This is in sharp contrast to the approach FAA adopted last year for congestion management at Chicago's O'Hare Airport (ORD). The ORD rules create a special class of "Arrival Authorizations" that can be used only for international service. The rules guarantee arrival authorizations within one hour of the requested time to any carrier that proposes to offer international services (other than U.S.-Canada transborder service) the airport. No similar guarantees are made to carriers seeking to add additional domestic service to the airport.

If applied at JFK, the ORD rules would discriminate against U.S. carriers and undermine their ability to compete with foreign carriers for all the reasons described above. As noted

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[1] The IATA guidelines note that "[s]lot allocation is independent of bilateral air service agreements. The granting of landing rights does not entitle an airline to airport slots, nor does the allocation of slots to an airline entitle that airline to landing rights." IATA WSG § 5.8 at p. 14. As noted in Section 0 above, foreign governments routinely apply the same principles to U.S. carriers who would prefer to but cannot serve highly congested foreign airports without first obtaining slots.

above, nearly one-third of the flights operated to/from JFK are international flights. More than half of those are operated by foreign flag carriers. The most congested periods at the airport are the morning and afternoon banks during which virtually all of the viable transatlantic long-haul service must take-off and land. If any carrier that wanted to add new international service to JFK could do so with impunity during these peak congested periods, then any slot system restraining domestic service would inevitably fail as a congestion management tool. New international service would simply back-fill any reductions extracted from U.S. carriers out of their domestic networks. The congestion would remain or worsen at the critical peak periods, and the constraint on the domestic networks of U.S. carriers would make it impossible for them to compete effectively with their foreign competitors that face no similar discrimination at their own hubs abroad. This result would be unlawful for the reasons discussed above. It would also make no sense as a matter of U.S. aviation policy.

The IATA WSG are also entirely consistent with the only tested and workable market-based system for allocation of scarce airport resources that is within the legal authority of the FAA to implement under current law: a secondary market in slots created through an effective buy/sell mechanism. In contrast to the untested experiments in "congestion pricing" that are being discussed in the NY ARC, the buy/sell rule has been functioning effectively in the United States for more than two decades. As evidenced by the recent access to Heathrow obtained by Delta and Continental discussed above, the secondary slot market provides a viable means for new entrants to gain access to even the most congested airports in the world, if they are willing to pay a market price for slots.

In short, the IATA guidelines are time-tested and fair. They offer a nondiscriminatory and globally accepted solution to congestion management that can be used to allocate scarce

airport capacity with a market-based allocation mechanism. However, they cannot be implemented piecemeal. The IATA guidelines provide a globally-accepted set of principles for slot coordination at congested airports, but those principles – neutrality, transparency and non-discrimination – are meaningless if the FAA applies them only for the benefit of foreign flag carriers, or only to international air transportation.

The FAA has already designated JFK as a Level 3 coordinated airport, recognizing the global acceptance of the IATA WSG as a congestion management tool for the world's most congested airports. If this voluntary scheduling conference is to succeed, however, the DOT must follow through and implement IATA WSG *in its entirety* at JFK. Without a clear and binding assurance that they will be treated in a fair and non-discriminatory manner in this process, U.S. carriers like Delta who have invested hundreds of millions of dollars and hired thousands of employees over the last several decades to build their current service levels at JFK will simply not be willing to make the voluntary reductions that FAA seeks.

Delta remains committed to partnering with DOT and FAA in finding a solution for the congestion and delays in the New York area, including JFK. However, for those efforts to be successful, DOT and FAA must modify the approach they have undertaken. FAA should raise the proposed targets for JFK to reasonable levels, and at least to the levels that were applied under the HDR. It should expand the process to other New York area airports, so that all stakeholders in the NY airspace issue can share in the solution. DOT and FAA should eliminate their blatant discrimination in favor of foreign flag carriers. They should guarantee restoration of historic service rights for all carriers that agree to contribute to the solution. And they should implement the IATA WSG as a neutral, transparent, non-discriminatory and globally-accepted slot coordination system at this key U.S. international gateway.

Mr. Chairman, that concludes my statement. On behalf of all Delta employees worldwide, I wish to thank you again for the opportunity to appear before this subcommittee and will gladly answer any questions you or your colleagues may have.

jetBlue

STATEMENT OF DAVE BARGER

CHIEF EXECUTIVE OFFICER
JetBlue AIRWAYS

NOVEMBER 15, 2007
10 a.m.

BEFORE

The Subcommittee on Aviation
Committee on Transportation and Infrastructure

United States House of Representatives

JetBlue Airways Corporation
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STATEMENT

OF

DAVE BARGER

CHIEF EXECUTIVE OFFICER

JETBLUE AIRWAYS CORPORATION

Before the

Subcommittee on Aviation

Committee on Transportation and Infrastructure

United States House of Representatives

NOVEMBER 15, 2007

Chairman Costello, Ranking Member Petri and distinguished members of the subcommittee:

I am grateful for the opportunity to submit this written testimony, on behalf of JetBlue Airway's 11,000 crewmembers, elaborating on our tremendous recovery efforts undertaken since last February and our crewmember's equally strong efforts to prepare for the approaching holiday travel season.

Introduction

JetBlue Airways, based at John F. Kennedy International Airport ("JFK") is *New York's low fare hometown airline.* Our goal has always been to bring humanity back to air travel. Since launching the airline in February 2000, JetBlue has brought affordable airfares and award-winning customer service to millions of customers. Some attribute our success and accolades to our new fleet of aircraft, everyday low fares, leather seats and free live television and XM radio. However, we believe our success is attributable to

the dedication of our crewmembers who deliver the JetBlue Experience each and every day, with a smile and an endless pursuit of customer service excellence.

JetBlue now operates 132 jets on 525 daily flights carrying more than 60,000 daily customers to 53 destinations. We also have firm orders for 145 aircraft and options for an additional 140 aircraft as we continue our growth. To accommodate our long-planned growth, we are on schedule and on budget to move into our new 26-gate, $875 million terminal at JFK next fall. This project represents five years of careful and deliberate planning and investment in our future growth at JFK.

Despite all of our success to date, JetBlue had an awful week last February following the severe ice storm that impacted New York on Valentines Day. With the good intention to simply get our customers where they wanted to go for their holiday vacations, we failed to deliver on that basic promise, failed to take proper care of some of our customers and failed to recover our operation in an appropriate period of time which negatively impacted more customers. Rather than hire a public relations firm to work around the clock on our behalf to "spin" this reality into something more palatable, JetBlue instead worked tirelessly to fix our immediate operational problems, own up to our mistakes and apologize to our customers. We did so with a series of very public and repeated apologies, a great deal of compensation and then we issued the airline industry's most comprehensive Customer Bill of Rights.

JFK's Capacity Constraints:

The most effective means to prevent irregular operations from negatively impacting our customers with lengthy delays and air traffic congestion, especially in the busy northeast where the great majority of our flights operate, is to modernize the Air Traffic Control system ("ATC"). There will always be periods of extreme weather for airports and airlines to cope with, but increasing capacity at our airports and in our airspace is the single most effective means of ensuring smooth operations and minimal delays on our blue skies days. In this regard JetBlue continues to support an FAA Reauthorization

funding formula that is equitable amongst carriers as well as all aviation user groups, so that a long-term financing stream is available to successfully evolve our ATC system to a safe, satellite based, advanced technology system which achieves maximum efficiency for its all of its users.

Until such time as the various components of the FAA's modernized ATC system can be funded and implemented, congestion at key airports such as our home at JFK must be addressed. While expanding capacity remains the most effective means to reduce congestion, the reality is that JetBlue reluctantly requested and strongly supports temporary flight caps (slots) at JFK to ensure that no hour is oversubscribed such that scheduled operations vastly outpace known capacity. In this regard, JetBlue is an active participant it the FAA's ongoing Aviation Rulemaking Committee dealing with aviation congestion in the New York region.

JetBlue believes the FAA's benchmarking of capacity is too low and the threshold number of safe operations per hour should be higher than currently established (80/81). Further, JetBlue has urged the FAA to set prospective service levels for the largest carriers not by their presence in the midst of the record congestion at JFK last summer but rather to set service levels (and the "voluntary" flight reductions necessary to achieve these service levels) based on each carrier's year over year increase in operations. Only this latter benchmarking mechanism will fairly and proportionately address each carrier's contribution to JFK's congestion this past summer and ensure that it is not repeated during next summer's busy travel season.

Operational Readiness:

Last winter, once through our operational recovery, JetBlue initiated a deep-dive to examine our operational structure, our procedures, our processes and our infrastructure to ensure to ourselves and our customers alike that never again would we fail as we did last February.

As our Chairman and founder David Neeleman testified before this Subcommittee last April:

> "I can inform you that during the past two months we have examined every aspect of our company, its culture, its leadership structure, its processes and its systems and we have learned a great deal which has enabled us to actively address and permanently rectify many shortcomings which lead to our terrible day."

Since you last heard from David, indeed, JetBlue has undergone extensive self and external evaluation. Many of the changes that began last April are now complete and many more have been fully integrated into our operational structure.

To begin, we have restructured our entire leadership team. David relinquished the role of Chief Executive Officer in order to focus singularly on the future vision of JetBlue as Chairman of our Board of Directors. I was appointed CEO and my former role of President and Chief Operating Officer was filled by Russ Chew, formerly the Chief Operating Officer of the FAA's Air Traffic Organization. Under Russ's able leadership, JetBlue brought on a new Director of System Operations, Joe Bertapelle, an aviation professional with nearly two decades of experience in this unique field of work. Further, since last winter, JetBlue has hired experienced aviation leaders where strengthening was needed, including our JFK operations team, particularly in the areas of deicing and operations control, our dispatch team, our flight operations team and importantly, our crew services and crew scheduling department.

With a strengthened leadership team, JetBlue has undertaken many new internal process and procedural changes to ensure more operational reliability, especially during irregular operations. These include, but are not limited to:

1. Implementation of a comprehensive Onboard Delay Escalation procedure (now approved by FAA) that outlines JetBlue's protocol and communications for *any customer delay over 59 minutes*. This policy outlines the proactive steps to be taken during increasing time increments by each crewmember involved in the operation of a delayed arriving or departing flight;

2. Creation of a policy where we deplane customers at the 5 hour point in nearly any operational circumstance;
3. Transforming our Operations Centers into sterile environments during non-routine operations;
4. Establishing programs that alert our controllers as we approach FAR/Crew legality limits; and
5. Creating recovery and emergency communication standards for any extended operational challenges at JFK with the goal of transmitting relevant operational data quickly to our frontline Crewembers.

We have retooled our training as well. Some of these enhancements include:

1. Creating an open bridge of communication from key airports to the Systems Operations Center ("SOC");
2. Developing a new training curricula for Operations Center and SOC Crewmembers, and training everyone in how to best utilize all the technology tools at their disposal;
3. Placing airport personnel in the SOC with 24/7 coverage to give direct feedback to leadership;
4. Redesigning, both physically and in workflow, our SOC and Operations Center at JFK to foster improved communications and
5. Creating pre-cancel plans 24 to 48 hours in advance of any major forecasted weather.

Finally, JetBlue has strengthened the resources available to us on the ground, including:

1. Parcel Z (former deice tarmac area at JFK),which can accommodate up to a dozen JetBlue aircraft, is now used regularly for deplaning customers to avoid long arrival (taxi-in) delays due to earlier delayed flights and gate congestion (up to 90 arriving flights were deplaned this way monthly during the summer);
2. New bus operation "rescues" flights deplaning at our remote pad (Parcel Z) to transport customers and baggage to the terminal;

3. Completely overhauled and enhanced our deicing operations at JFK to better align demand with supply while increasing throughput. This was achieved by adding 100 percent capacity our deicing program from four to eight simultaneously active deice pads, with twenty-five trucks, and expanding our qualified deicing crew population; and
4. JetBlue will operate the new, coordinated "snow desk" for all of JFK airport this winter, and all internal crew training has been completed for maximizing the use of the automated tool "irops.net". This is the tool all airlines will utilize to communicate slot controls during major winter weather at JKF. This stems from efforts of the Port Authority's Flight Delay Task Force and Customer Service Group.

As for the upcoming holiday travel season, JetBlue is confident that these many efforts undertaken thus far will prepare us well to weather any storm. Our reservations and airport staffing levels are higher than they have ever been, our customer communications enhancements are in place, including more extensive rebooking tools on our website, our operational contingency plans are in place, our training is complete and our leadership personnel will be augmenting our airport Crewmembers to assist our customers this holiday season.

Customer Commitments:

We believe the vast internal changes we have made at JetBlue over the course of 2007 position us to be a much stronger and more reliable airline to our customers. Still, these internal changes to leadership, processes and procedures were primarily focused on minimizing disruptions to our customers. In addition, JetBlue has undertaken a series of unprecedented steps to directly change our external relationship with our customers since last February's disruption to our operations. The irony last winter of JetBlue being at the center of a debate on negative customer service is hardly lost on any JetBlue leader. Any airline can fly a customer from point A to point B, but the hallmark of JetBlue has always been excellent customer service.

JetBlue entered the competitive landscape at a time when customer service in the airline industry was perceived to be at an all-time low level. The industry had collectively, in response to this perception and a series of winter storm-related strandings in early 1999, issued its own Airline Customer Service Commitment, with individual carriers each issuing their own Customer Service Plans. These plans and the industry's collective commitments have been reviewed by the Department of Transportation's Inspector General. It is important that this subcommittee know that JetBlue was not a party to this industry Commitment as we were not a certified airline when it was crafted. However, since our first flight, we have complied with nearly all of the provisions of the initial Customer Service Commitment created by other carriers and we have regularly surpassed its commitments in other areas since our first flight.

Further, in the immediate aftermath of last February's storm induced operational failure, JetBlue created the most comprehensive set of customer service guarantees and compensatory guidelines ever issued by a U.S. airline.

Recognizing what we put our customers through and wanting to both make amends and ensure we always would keep their best interests in mind, JetBlue published a Customer Bill of Rights. An apology letter with a link to this document was emailed to all of our impacted customers as well as millions of other customers who had ever flown JetBlue. This document, our commitment to customers on how we would handle operational interruptions going forward, and made retroactive to cover those impacted by the February storm, was unprecedented in its scope. Further, it was incorporated into our Contract of Carriage.

Key commitments in JetBlue's Customer Bill of Rights include:

1. JetBlue will notify customers of delays prior to scheduled departure and, cancellations and diversions along with their cause;

2. If JetBlue cancels a flight, JetBlue will provide a refund or rebook the Customer. If the cancellation is due to events within our control and within four hours of the scheduled departure time, JetBlue will provide a $100 voucher good for future travel on JetBlue;
3. If a JetBlue customer is involuntarily denied board (bumped), JetBlue will pay that customer $1000;
4. If JetBlue delays a flight after its scheduled departure time for reasons within our control, starting at one hour, customers will be compensated with a $25 travel voucher, between two and three hours and fifty nine minutes – a $50 voucher, between four and five hours and fifty nine minutes a voucher in the amount paid by the customer for the one-way trip and for six or more hours a voucher in the amount paid by the customer for the roundtrip;
5. For all onboard ground delays, customers will have access to food and drink, restrooms and as necessary, medical attention. For ground delays of more than five hours, JetBlue will take the necessary action so that customers may deplane;
6. For arriving flights on onboard ground delays, starting at one hour after scheduled arrival time , customers will be compensated with a $50 travel voucher, for two or more hours after scheduled arrival time, compensation will be a voucher in the amount paid by the customer for the roundtrip and
7. For departing flights on onboard ground delays, customers experiencing a three hour delay after scheduled arrival time will receive a $50 travel voucher and for delays for four or more hours, compensation will be a voucher in the amount paid by the customer for the roundtrip.

Each of these commitments by JetBlue far supersede anything required by law or any level of commitment made by other carriers to their customers. Further, each of these carefully balances the operational realities and limitations of our ATC system and the strong desire of our customers to actually get where they desire to go.

Conclusion:

I am proud to submit this comprehensive outline of the many steps JetBlue has taken internally as well as externally with our crewmembers and customers alike to ensure that our operational reliability and focus on delivering the highest level of customer service remain second to none.

Thank you Mr. Chairman for the opportunity to present the views of JetBlue Airways to this Committee.

Testimony of Krys T. Bart, A.A.E., President and CEO, Reno-Tahoe International Airport and Chair, American Association of Airport Executives

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Statement of

Krys T. Bart, A.A.E.

President and Chief Executive Officer,

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and Chair,

American Association of Airport Executives

Before the

Subcommittee on Aviation

Committee on Transportation and Infrastructure

U.S. House of Representatives

November 15, 2007

Chairman Costello, Ranking Member Petri and members of the House Transportation and Infrastructure Subcommittee on Aviation, thank you for inviting me to participate in this hearing on aviation and airport holiday travel preparations. I am Krys T. Bart, A.A.E., the President and CEO of the Reno-Tahoe International Airport. I am also the current Chair of the American Association of Airport Executives (AAAE). AAAE is the world's largest professional organization representing the men and women who manage primary, commercial service, reliever and general aviation airports.

The Reno-Tahoe International Airport is the 60th busiest commercial airport in the nation offering approximately 180 daily commercial flights. It serves as the gateway to the spectacular Reno-Tahoe region – a vacation paradise and growing business center. In 2006, Reno-Tahoe was ranked as one of the most efficient airports in North America, and we pride ourselves on offering leading edge customer service.

Mr. Chairman, I would like to commend you, Ranking Member Petri, Chairman Oberstar and Ranking Member Mica for all of the good work that you did on H.R. 2881, the FAA Reauthorization Act of 2007. Airports are particularly grateful that the four-year Federal Aviation Administration (FAA) reauthorization bill would raise the Passenger Facility Charge (PFC) cap from $4.50 to $7.00 and authorize a total of $15.8 billion for the Airport Improvement Program (AIP) during the next four years.

Both funding provisions would help airports build the infrastructure they need to accommodate increasing passenger levels and the spikes that occur during the busy holiday travel season. Increased funding for airport infrastructure projects coupled with

the transition to the Next Generation Air Transportation System will go a long way toward helping reduce delays and passenger complaints.

Airport executives realize that increased funding and improving the air traffic control system are not enough to address the problems related to commercial air service and the rise in passenger complaints. That is why my colleagues and I at airports around the country are committed to helping passengers by providing top-notch customer service and by helping airlines and federal agencies carry out their vast responsibilities. My testimony will discuss some of the challenges that airports and passengers face today and describe some of the actions that airports are taking in the long-and short-term to prepare for the coming holiday travel season and for the future.

Increasing Passenger Levels, Airline Delays and Passenger Complaints

Increasing Passenger Levels: As you know from the numerous hearings that this subcommittee has held this year, the FAA is predicting that the number of passenger enplanements will increase from approximately 740 million in 2006 to more than one billion in 2015. Airports need to be able to prepare for a major influx of passengers in the next several years and the increased passenger levels that occur during the busy holiday travel season.

Like other airports around the country, we are experiencing strong passenger and cargo growth at the Reno-Tahoe International Airport. Last year, we had a 12% growth in cargo and approximately 2.5 million enplanements. That's about 14,000 passengers arriving and departing every day. The FAA is predicting that our passenger enplanements will increase from approximately 2.6 million in 2007 to more than 3.2 million by 2015 – a 23% increase.

Increasing Airline Delays: Like the passengers using our facilities, airport executives are increasingly concerned about the dramatic rise in flight delays. According to the Bureau of Transportation Statistics (BTS), more than 24.3% of all flights between January and September of this year arrived at their gates 15 minutes or more after their scheduled arrival time. That's 183,000 more flight delays this year than the number of delays that occurred during the same nine-month period in 2006. And it's almost 375,000 more than the number of delays that occurred between January and September in 2000 when one in four flights was delayed, cancelled or diverted.

Unfortunately, flight delays and cancellations traditionally peak in December when people are often traveling for the holidays. Last December, almost 26% of all flights or more than 157,000 – were delayed, and more than 19,000 flights were cancelled or diverted. (These figures do not include any additional time air carriers have added to flight schedules to account for delays.)

Increasing Passenger Complaints: It should not be surprising that flight delays and cancellations are driving most passenger complaints. According to the Department of Transportation, the top source of passenger complaints between January and September

of this year was flight delays, cancellations and misconnections. Approximately 34% of all passenger complaints during that timeframe were due to flight delays, cancellations and misconnections. Passenger complaints about flight delays are skyrocketing. Passengers filed more than twice as many complaints about flight delays, cancellations and misconnections during that same nine-month period in 2006.

Airports are Taking Numerous Steps to Help Passengers During the Holiday Season

Increasing Capacity to Help Reduce Delays and Passenger Complaints: With the continued help from this committee, airports are increasing capacity throughout the year to help mitigate airline delays and passenger complaints. Reno-Tahoe International Airport's runways and taxiways offer some of the best infrastructure on the west coast. In fact, we serve as the diversionary airport for the Bay Area airports. When there is bad weather in Northern California, we accept flights bound for San Francisco, Oakland, San Jose and Sacramento.

At Reno-Tahoe, our capacity issues revolve around a terminal building that is 50-years-old, and our focus is on improving the passenger experience. We are in the beginning stages of a baggage handling project that will speed up passenger check-in while moving Explosive Detection System (EDS) machines out of our lobby and behind the scenes. We are also in the planning stages for expanding our concourses while analyzing the need for an expanded terminal and parking facilities.

When Robert Sturgell, the Acting Administrator for the FAA, testified before this subcommittee last month, he mentioned in his testimony that 13 new runways have opened at Operational Evolution Partnership (OEP) airports since 2000. He pointed out that the new runways have reduced delays at those airports by an average of 5 minutes. Acting Administrator Sturgell also mentioned that additional runways, taxiways and other airfield projects in the works at 8 OEP airports will "decrease average delay per operation by almost 2 minutes...."

Needless to say, these critical capacity-enhancing projects would not be possible without adequate PFC revenue and AIP funding. Airports appreciate the funding provisions contained in the FAA Reauthorization Act of 2007, and we also owe this subcommittee a debt of gratitude for raising the PFC cap in 2000 and for increasing AIP funding during consideration of Vision 100 and AIR-21. Without your leadership and commitment to funding airport infrastructure projects, flight delays, cancellations and passenger complaints would be far worse than even today's high levels.

Coordinating with Airlines, TSA and Concessionaires: In addition to adding more capacity to accommodate increasing passenger levels in the longer-term, airports are taking numerous steps in the short-term to help passengers during the upcoming holidays. For instance, airport executives work closely with the airlines, the Transportation Security Administration (TSA), concessionaires and other tenants to ensure that all of those entities are prepared for the influx of passengers during the holidays.

The Chicago Department of Aviation offers a prime example of the coordination that takes place behind the scenes long before passengers arrive at O'Hare International and Midway Airports. The Department of Aviation works closely with all of its tenants to ensure both airports are prepared to accommodate increased passenger levels during the holidays. Department representatives also meet with TSA officials to review the agency's staffing plans in an effort to reduce long lines at security checkpoints.

The Des Moines International Airport works with the airlines and the TSA to compile a spreadsheet to highlight daily passenger loads and charter activities during the holiday season. The Metropolitan Airports Authority (MWAA) similarly distributes projected passenger loads at Ronald Reagan Washington National and Dulles International Airports with airport police, authority staff, Travelers Aid and the TSA to assist with their staffing plans. MWAA also shares this information with concessionaires and other tenants to ensure that they have adequate supplies and personnel on hand during the busy holiday travel season.

Providing Helpful Information to Passengers: Airports also use their websites and the media to disseminate helpful information to passengers before they leave their home or office for the airport. Like numerous other airports around the country, the San Jose International Airport informs passengers about roadway changes, the location of its cell phone waiting areas and when to arrive for check-in on busy holiday travel days.

The Lihue Airport in Kauai, Hawaii – where many would like to travel to over the holidays – also uses the media to provide holiday travel information to passengers. Here in Washington, MWAA communicates helpful travel tips to the public two weeks before holiday season. Disseminating this information helps to reduce delays and passenger frustration during the busy holiday season.

Helping Passengers with Parking: Simply finding a place to park at some airports can be particularly challenging during peak travel times. Airports around the country are using a combination of new technology and more personnel to help passengers navigate their parking facilities and to reduce the amount of time it takes them to enter and exit parking facilities during peak travel times. Other airports encourage their customers to take public transportation or seek options other than single-passenger automobiles.

Last year, we installed a Credit Express parking system at the Reno-Tahoe airport that is reducing wait times by allowing customers to use a credit card upon entering one of our parking facilities and to use the same card upon exiting. The new system is fast and easy for customers to use. It has helped to eliminate a large number of cash transactions that previously caused back-ups in parking garage exit lanes during the holidays and other peak travel times.

The nearby Baltimore/Washington International (BWI) Thurgood Marshall Airport is another good example of an airport using technology to reduce parking-related delays. The airport uses SMART Park – an impressive system that includes ultrasonic sensors

above each parking space and electronic signs to efficiently guide customers to open parking spaces. Airport officials augment that technology during the busy travel times by establishing overflow parking facilities and procedures.

During the busy travel season, the Chicago O'Hare International Airport deploys additional staff in economy parking lots to assist and direct travelers to shuttle busses and to the Airport Transit System. The airport also opens additional access points to parking lots to allow for efficient traffic flow. It also monitors its transit system and, if necessary, adds more cars to efficiently move passengers to and from the terminals.

Because of space restrictions or ongoing construction projects, some airports have very limited parking available during the busy holiday season and urge travelers to use other forms of transportation to the airport. The San Antonio International Airport, for instance, pays for announcements on local radio stations to encourage passengers to use taxis or have friends or family drive them to the airport. For those who drive, the airport uses staff to guide customers to various on-site parking facilities.

MWAA uses its website to conveniently update passengers on parking availability at Ronald Reagan Washington National Airport. The website has real-time information so passengers can determine how many spaces are actually available in their parking facilities. The airport authority also urges travelers to take Metro during the holidays, and it uses its police department to facilitate traffic volume to and from the airport during peak travel times.

Assisting Passengers at Security Checkpoints and Throughout the Terminal: When passengers arrive at the terminal, airport personnel strive to provide them with helpful information to make their experience at the airport as convenient as possible. Although primary responsibility for passenger and baggage screening rests with the TSA, airports routinely help passengers by mitigating congestion and delays at security checkpoints and airline ticket counters. While experienced travelers may not rely on these services, assisting the many holiday travelers who are less familiar with airport facilities helps to reduce wait times for all passengers.

At the Reno-Tahoe International Airport we deploy Passenger Aides from 4:00 a.m. to midnight to help passengers in the terminal, at security checkpoints and at our baggage claim area. Our Passenger Aides wear distinctive uniforms and are easy for travelers to identify. During the holidays, they also wear blinking lights on their uniforms so passengers know just where to go with questions.

Our customers and our community will be pleased to know that they can find more Passenger Aides working in the terminal around the holidays and during peak travel periods. Passenger Aides go through intensive training and coordinate their actions with airline and TSA personnel to ensure they are in the busiest locations at the busiest times to offer the highest level of customer assistance. We take great pride in the commitment and dedication of our Passenger Aides at Reno-Tahoe.

Numerous other airports have similar passenger assistance programs. The Port Columbus International Airport in Ohio, for instance, uses volunteers to operate an additional information kiosk during the holidays to help answer passenger questions. Airport officials also volunteer their own time by helping passengers and assisting with line management in the ticket lobby and at security checkpoints during heavy traffic periods. (The administrative personnel at the Reno-Tahoe International Airport – myself included – are similarly on call to help out during peak travel times.)

Since 2003, the San Diego International Airport has relied on its Checkpoint Passenger Assist (CPA) program to help passengers during the holiday and peak summer travel season. CPAs are students who are 18-years-old or older who assist passengers with the divestment and consolidation of their belongings before and after screening at security checkpoints. They also assist with line management at the airline ticket counters.

The Mineta San Jose International Airport similarly uses its Ambassador Program to provide passengers with customer assistance at security checkpoints, to help them find their way around the terminal and to answer questions about the airport. The Ambassadors are airport employees who volunteer to work extra hours in order to help their customers traveling through the airport during the holidays.

Again, many of these measures focus on airline and security operations, which are not directly under the control of airports. However, they are prime examples of airports going the extra mile in an effort to improve the entire passenger experience from arrival at their home airport to departure at their destination airport.

Registered Traveler Program: A number of airports also use the Registered Traveler (RT) program to reduce wait times and passenger frustration at security checkpoints throughout the year and during peak travel times. The RT program allows TSA to enhance aviation security and improve system efficiency by focusing scarce resources on those individuals who represent the highest risk. The program allows those passengers who enroll in the program and have completed a security threat assessment to take advantage of expedited screening. Thirteen airports currently operate an RT program, and the Denver International Airport is slated to unveil its program early next year.

I am pleased to say that we began operating an RT program at the Reno-Tahoe International Airport in June. Customers who enroll in our "rtGO" program present their personal identification card at the security checkpoint and pass through a separate line that expedites the screening process for all travelers and allows screeners to focus more intensely on potential threats. Although the rtGO program in Reno has only been up and running for less than five months, 500 passengers have already enrolled. We are very excited about this program and are confident that positive results can be replicated at airports across the country.

Passenger Advisory at Security Screening System: In addition to deploying staff to help out at security checkpoints and using the RT system, many airports are using the Passenger Advisory at Security Screening (PASS) system to help expedite passenger

screening throughout the year and during peak travel times. The PASS system, which was developed by AAAE, helps reduce congestion and delays by preparing passengers to properly divest themselves before they pass through security checkpoints.

Each PASS system that AAAE installs contains a one-minute customized video that reminds passengers to remove metal items from their pockets, remove laptop computers from their bags and take other steps before passing through security checkpoints. The video, which is continuously looped on monitors with 42-inch screens, significantly reduces the wait times at security checkpoints and is particularly helpful during the busy holiday season when less experienced travelers use the aviation system.

You can witness the benefits of the PASS system the next time you fly out of Ronald Regan Washington National or Dulles International Airports. AAAE has also installed the system at Newark Liberty International, Boston Logan International and other airports around the country. The PASS system has been so successful that Amtrak is planning to use it at train stations to help educate passengers on new security measures.

Snow Removal Plans: Of course, airports have extensive snow removal plans in place should they be hit with severe winter storms over the holidays. During the winter of 2004-2005, the Reno-Tahoe area received more than 84 inches of snow in a two-week period of historic snowstorms. Since then, we have purchased additional snow removal equipment including a de-icing machine and a combined snow-plow and snow-broom to ensure that we can remain open when winter storms strike again.

As many of you may recall, the Denver International Airport was forced to temporarily close on December 20th last year because a severe blizzard caused white-out conditions. Blowing and drifting snow created drifts up to five feet high and prevented the airport from operating for two days. To help stranded passengers over the holidays, the airport distributed more than 5,000 blankets, 4,000 bottles of water, diapers and baby formula.

The Denver International Airport has spent a great deal of time and money upgrading is snow removal plans to prepare for winter storms this year. The new plan includes enhanced communication and coordination with the FAA and the airlines. The airport has also been upgrading its snow removal equipment and plans to use additional personnel and snow melters to help remove snow as quickly as possible. That's not an easy task considering the fact that the airport ramp consists of 355 acres – the same amount of space as 268 football fields.

When storms cause delays in Denver, Chicago or New York, those delays ripple throughout the entire aviation system. We experience those ripple effects in Reno. Passengers often drive long distances to get to our facility so it is absolutely critical that we get information about potential delays to them as quickly as possible. Toward that goal, airport personnel constantly monitor weather around the county for potential delays in Reno and use press conferences, the airport web site and in the future, text message alerts, to keep passengers notified of impacts on their schedules.

Emergency Contingency Plans: A number of airports have emergency contingency plans in place should long on-board delays occur during the holidays. For instance, BWI carefully monitors airfield activities and coordinates with airlines when an aircraft is delayed for an extended period of time away from the gate. As part of its emergency contingency plan, the airport can make gates available for off-loading passengers. Atlanta's Hartsfield-Jackson International Airport purchased four buses capable of carrying more than 100 passengers from the aircraft to the terminal as well as four sets of "airstairs" to help deplane passengers.

MWAA also has emergency contingency plans in place for Ronald Reagan Washington National and Washington Dulles International Airports. The airport authority coordinates with airlines and provides available gates to deplane passengers when necessary. If a gate is not available, MWAA assigns a remote parking location so ground transportation can be used to transport passengers from the aircraft to the terminal. The airport authority can also use mobile lounges at Dulles to deplane passengers at virtually any location on the airport.

If delays occur during night-time hours at either airport, MWAA provides blankets and pillows, diapers and baby formula to passengers. The airport authority also works to make sure that certain concessions at its airports remain open on a 24-hour basis. Like other airports around the country, we distribute bottles of water at the Reno-Tahoe airport to passengers experiencing long delays.

What the Federal Government Can Do to Help Airports and Passengers During the Holidays and Throughout the Year

Raise the PFC Cap and Increase AIP Funding: Mr. Chairman, Congress can help airports accommodate increasing passenger levels and the spikes that occur during holiday seasons in the future by approving a multi-year FAA reauthorization bill that raises the PFC cap to $7.00 and authorizes $15.8 billion for AIP funding. Due to the leadership on this subcommittee, the House of Representative has done its part by passing H.R. 2881, the FAA Reauthorization Act of 2007.

Airports are now waiting for the Senate to pass its version of the bill so that lawmakers can iron out their differences and send an FAA reauthorization bill to the President's desk. As everyone on this panel knows, time is quickly running out. The latest continuing resolution that Congress approved as part of the Fiscal Year 2008 Department of Defense Appropriations bill, allows the FAA and other federal agencies to continue to operate through December 14th.

Although the continuing resolution includes temporary AIP funding, the FAA does not plan to begin actually distributing those funds anytime soon in part because the agency maintains that it would "require an extension of at least six months to administer the grant program...." With the December 14th deadline fast approaching, we hope that you will do everything you can to work with colleagues in the Senate send a multi-year FAA reauthorization to the President's desk.

It is critical that Congress approve a multi-year FAA reauthorization before the current extension expires on December 14th. Delays in distributing AIP funding would impact airports of all sizes and be particularly hard on small airports that rely on federal funds and those airports with short construction cycles. Many large airports would also be adversely affected because they count on AIP funds gained through Letters of Intent to build capacity-enhancing projects. Moreover, every month without the PFC increase proposed in the House bill would cost airports approximately $100 million.

Provide Adequate Resources for Passenger and Baggage Screening: I realize that this subcommittee does not have jurisdiction over aviation security issues. However, I would be remiss if I didn't take this opportunity to highlight aviation security and the impact that the federal government's current security apparatus has on travelers at our nation's airports. Some of the most frustrating experiences passengers face when they work their way from the airport entrance to the boarding gate are security-related.

Those frustrations – from having to carry checked baggage to machines located in crowded lobbies to waiting in long lines at security checkpoints – will likely increase during the holiday travel season and beyond unless the federal government provides meaningful short- and long-term solutions. In the short-term, airports encourage Congress to provide adequate resources for aviation security.

TSA must also do a better job of deploying those resources effectively while working to become more responsive and innovative in its approach to passenger and baggage screening. Additionally, Congress and the Administration must do more to provide the staffing resources in the form of U.S. Customs and Border Protection personnel to accommodate the growing influx of international passengers at gateway airports.

On the staffing front, recent adjustments to the TSA screener allocation model have resulted in staffing shortages at some of the nation's busiest airports including those in Atlanta and Denver. Unfortunately, passengers at those airports routinely experience wait times of 30 minutes to nearly one hour. At one point last December passengers at the Denver International Airport actually waited in line for two and a half hours.

At other airports, screening checkpoints – that in some instances were built with TSA's direct involvement – are left un-staffed by TSA because of budget constraints causing long lines at security checkpoints. TSA cannot let budget concerns undermine commitments that the agency has made to staff necessary screening checkpoints.

As I mentioned previously, airports often assist TSA with the management of its screening checkpoint lines. The Denver International Airport is spending more than $1 million per year to help improve the passenger screening process. However, it is clear that the problem is bigger in many locations than any additional staff or queue management assistance can completely mitigate. The federal government must recognize and fulfill its obligations under the law to effectively screen all passengers and baggage

and it should do so in a way that does not unduly inconvenience air travelers during the holidays and throughout the year.

In the long-term, the goal must be to move from today's labor intensive security model to a smarter, more advanced approach through the deployment of improved technology. The installation of in-line EDS in the nation's airports is one example of how technology can be deployed to enhance security, improve efficiency and dramatically reduce TSA personnel requirements.

I would like to thank the members of the subcommittee for the leadership role you have taken in encouraging investments in technology, particularly with regard to in-line EDS systems in airports. The progress that has been made to this point has come in no small part thanks to your efforts to establish the Aviation Security Capital Fund in Vision 100.

Airport executives are pleased that the bill to implement the 9/11 Commission recommendations, which Congress approved earlier this year, provides continued funding for in-line EDS systems and revitalizes the Letter of Intent process. I urge members of this committee to continue to do everything you can to ensure that TSA and the Office of Management and Budget follow the requirements of the 9/11 law and issue multi-year agreements to airports to begin construction on these critical projects.

Conclusion

Chairman Costello, Ranking Member Petri, members of the House Transportation and Infrastructure Subcommittee on Aviation, thank you again for inviting me to participate in this hearing on aviation and airport holiday travel preparations. Airport executives around the country look forward to continuing to work with Congress, the Administration, airlines and other airport tenants to ensure that we are prepared for upcoming holiday travel season.

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Testimony of Edward P. Faberman
Executive Director, Air Carrier Association of America

Before the

U.S. House of Representatives
Committee on Transportation and Infrastructure
Subcommittee on Aviation
Regarding
"Aviation and Airport Holiday Travel Preparations"

November 15, 2007

UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Aviation and Airport Holiday Travel Preparations
November 15, 2007

STATEMENT OF EDWARD P. FABERMAN
EXECUTIVE DIRECTOR, AIR CARRIER ASSOCIATION OF AMERICA

Good morning Chairman Costello, Ranking Member Petri, and Members of the House Transportation and Infrastructure Subcommittee on Aviation.

I am very pleased to be here today to talk about issues that are critical to the nation's air carriers and to the traveling public. My name is Ed Faberman and I am Executive Director of the Air Carrier Association of America. The ACAA and its low-fare carrier members are dedicated to bringing affordable airfares to all American travelers who reap significant benefits when low-fare options are available in their communities.

We thank this Committee for holding this hearing and for your dedication to enhancing the nation's ATC system and for supporting the growth of air commerce and airline competition.

We are working very closely with Secretary Peters and Acting Administrator Sturgell to address delay and congestion issues that are once again plaguing the industry and disrupting the travel plans of travelers. Unfortunately, these are not new issues.[1]

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[1] FAA has on multiple occasions in the past addressed growing congestion problems. Unfortunately, the fixes developed have closed markets and limited competition. In 1968, the Acting Administrator of the FAA (Notice of Proposed Rule Making and Notice of Public Hearing; 33 FR 12580, September 5, 1968) stated:

> Delays of varying magnitude are encountered at many terminal areas... Congestion at these terminals frequently requires the imposition of traffic flow restrictions creating backup delays throughout the air transportation system.
> A reduction in air traffic delays can be accomplished only by increasing the capacity of the system or decreasing the demands placed upon it. Certain changes in air traffic and airport procedures and practices are already planned by the FAA to increase aircraft handling capacity.

No matter what plans are made to improve operations, steps must also be taken to promote competition and not further limit it.

Holiday travel figures are expected to be at an all-time high this season. One reason so many individuals are traveling over the holidays is because of the growth of low-fare carriers. These carriers bring additional travel options for families, business travelers, and vacationers. They have improved competition and brought a high level of service and amenities to Americans who historically could not afford it.

As they grow, the airline members of the ACAA are constantly revising procedures to enhance service and improve passenger satisfaction, as it is always a high priority to make travel experiences timely and pleasant for all passengers. As a result of these changes, these carriers have seen improved rankings for handling baggage, customer complaints and denied boardings. The ACAA member carriers are preparing for the holiday season by adding to those practices already in place. Carriers are increasing their communications with airports to maintain the back-and-forth dialogue that has helped both parties work through other busy travel periods. They are also providing frequent updates and support to the Transportation Safety Administration ("TSA") officials at the airports they serve, in order to keep those channels of communication open and help improve airport screening. We are also talking to TSA about the importance of fully staffing checkpoints in order to accommodate the record numbers of passengers. In some scenarios, carriers have funded additional security equipment and supplemented the staffing needs.

Steps Taken By Carriers to Prepare Passengers for Holiday Travel

Carriers are reaching out to passengers through websites, emails, and at check-in to provide updated information. One of the difficulties of the holiday period is that a large percentage of passengers are not regular travelers and are thus not accustomed to the security precautions. Preparing passengers before the holiday season helps to eliminate some of those issues. Other steps carriers are taking include:

- **Publicizing TSA security information and other helpful travel hints on websites and through emails.** These electronic communications are an effective method of reminding passengers how they can help shorten wait times.
- **Reminding passengers about liquid restrictions, carry-on bag limitations, and the importance of <u>not</u> wrapping presents before traveling.** These reminders help passengers take proactive steps to speed up the time it takes to pass through security checkpoints and avoid situations such as having to throw away restricted carry-on items, which sometimes causes unnecessary frustration.
- **Encouraging passengers to arrive at the airport earlier than usual and to expect larger crowds and longer waits.** These warnings help improve passenger patience, as they can then be prepared for the minor inconveniences that the holiday season travel brings.
- **Instituting early notification systems to notify passengers of delays by email, website, or cell phone message.** This gives passengers as early a warning as possible so the delay's impact on the traveler is minimized. By making these efforts, carriers show that they value the passengers' time and are making a concerted effort to keep passengers informed and up-to-date.
- **Reminding customers about online check-in options and the use of automated check-in stations at the airport.** This allows passengers to complete several of the check-in steps before they leave home and allows those without checked luggage to head directly to the security checkpoint. It also frees up reservation agents so that they can spend time assisting passengers with less routine issues.
- **Increasing staffing of pilots, flight attendants, and reservation agents.** This helps move more passengers more quickly and without unnecessary delays that might result from illness or absences. Additional Help Desk staffing has also been added.

- **Putting into place automated flight rebooking.** This procedure helps expedite rebooking by automatically switching passenger to a new flight, should this become necessary due to a cancellation.

Specific Carriers

In addition to enhanced staffing and improved communication with passengers, some carriers have gone even further and taken additional steps to ease holiday travel difficulties. Examples of some of those extra steps include the following:

- **AirTran Airways**
  - AirTran implemented NetTracer, the most powerful baggage system in the industry today, which provides a best-of-class search engine to improve baggage tracing and claims processing for both passengers and airline employees.
  - AirTran has also increased communications with travelers through press releases and helpful emails to improve the flow of information to passengers.
- **Frontier Airlines**
  - As a result of the impacts of last year's massive snow storm, Frontier has taken significant steps to avoid a reoccurrence of those problems. The improvements at Denver International Airport (DIA) include:
    - Nearly double the number of ticket counter positions,
    - 49 additional self-service kiosks at counters,
    - 14 additional self-service kiosks in the lobby,
    - a 16.5% increase in Customer Service staff,
    - a 30% increase in outbound luggage capacity, and
    - approximately $150,000 in new snow removal equipment for aircraft parking areas and gates at DIA.
- **Spirit Airlines**

- Spirit has worked with Fort Lauderdale Hollywood International Airport (FLL) authorities to implement the following improvements:
  - A five fold increase in queue capacity,
  - a 60% increase in counter availability to process passengers more quickly, and
  - new CTX machines with a 40% better throughput capability than the old machines.

All of the practices mentioned above will address holiday travel problems. However, these steps involve significant effort and resources and are being implemented at a time when other costs are also rising. We are not operating in an environment where costs are stable – rather, costs including fuel, security and facility expenses continue to increase. Smaller carriers are not in a position to take extra steps at all airports because they may have limited facilities at those airports and depend on other carriers who control facilities for help. Therefore the costs for smaller carriers are higher at many airports. As a result, it is essential that government agencies be able to fully fund their responsibilities. This has been an issue with Customs and Border Protection. Because of funding issues, they have reduced staffing at several airports. This could have a major impact during the holiday season. We share the concerns expressed by Airports Council International (ACI) about the impacts of this.

As we enter the holiday season and the inevitable delays that accompany it, steps must be taken to lessen the overwhelming impact that delays have on smaller carriers. We have asked FAA to implement delay-free operations at congested airports, which would allow smaller carriers some ability to operate on a timely basis. Every carrier would be allotted the same number of these delay-free arrivals, which the carriers would then assign to specific flights. Those flights would then operate on-time and without delays, even if other flights at the airport are delayed (except in the event of severe weather conditions or other unusual system delays). Delay-free arrivals benefit carriers by granting them the security that specified flights (likely to hubs) will always operate on time. Delay-free arrivals will provide significant advantages to small carriers, as these

carriers cannot address delays in the same ways that large carriers can. Small carriers do not have the flexibility to move flights and aircraft to minimize the impact of delays or large enough flight schedules to efficiently re-route passengers during periods of delays and congestion. All carriers will derive benefits from these flights because they can designate delay-free flights to their hub or for unique other flights where on-time departures are particularly important.

Conclusion

This Committee has played an active role in improving the nation's aviation system and in opening doors to competition and travel options for consumers. The ACAA applauds those efforts and thanks the Committee for holding these hearings. We are anxious to work with the Committee and the Administration to address issues that significantly impact carriers, passenger and commuters.

It is essential that we create a first rate system that makes flying easier and safer. At the same time we must continue the dream of deregulation. All action taken must ensure that competition is not blocked. Some of the proposals to address delays and congestion that are currently being discussed could close the door on competition and growth of small carriers at major airports. Special care must be taken to ensure that this does not happen. Our dream is to create a high tech, safe, "delay free" and secure system that maximizes consumer choices and ensures that low fares are available to all.

We look forward to working with you on this and all matters. Thank you.

Testimony of Greg Principato
President, Airports Council International-North America

before the

House Transportation and Infrastructure Committee
Subcommittee on Aviation
"Aviation and Airport Holiday Travel"

November 15, 2007

Chairman Costello, Ranking Member Petri, members and staff of the House Transportation and Infrastructure Subcommittee on Aviation, thank you for allowing Airports Council International-North America (ACI-NA) the opportunity to participate in this important hearing on aviation and airport holiday travel. My name is Greg Principato and I serve as President of ACI-NA. Our 360 member airports enplane more than 95 percent of the domestic and virtually all of the international airline passenger and cargo traffic in North America. Nearly 400 aviation related businesses are also members of ACI-NA.

As Members of the Subcommittee know, demand for air travel continues to grow and travel experts are predicting the 2007 holiday season to be one of the busiest ever. Airports are especially cognizant of the increase of passenger traffic during the holiday period, including leisure travelers who may not be familiar with security screening protocols and airline requirements. Airports have systems in place to address issues that may arise with increased airport congestion, long passenger waiting lines and delayed flights.

Airport Preparations for the 2007 Holiday Travel Season

Each year airports put into place a number of customer service initiatives to ensure that passengers have a positive and smooth travel experience during the holiday season. Some of the areas that airports are emphasizing this year in their preparations include:

• ***Airport Information***: Airports will work with their local media to provide important information for passengers before they leave for the airport. In the past this outreach has

resulted in public service announcements on local radio stations and television reports about the need to check the status of their flight before leaving home, the availability of parking, as well as if delays are expected due to weather, security issues or air traffic problems.

• ***Airport Websites***: Airports will also be advising passengers to check airport websites for timely information available 24 hours a day. In addition, airports will advise passenger to visit *www.fly.faa.gov* where they can receive timely information regarding flight delays.

• ***Liquids, Aerosols and Gels (3-1-1)***: Airports will remind travelers to decide before leaving home whether to pack their liquids, aerosols and gels in checked bags or put them in three ounce or smaller containers, all of which fit into a one-quart resealable bag and pack them in their carry-on baggage.

• ***Complimentary Bags***: Many airports will have staff and/or volunteers helping to inform travelers of TSA's 3-1-1 rules before they reach the passenger security checkpoints. Airports may also provide complimentary, resealable one-quart bags at tickets counters, kiosks, and security checkpoints to help passengers contain their three or less ounce containers of liquids, aerosols and gels.

• ***Parking:*** Airports will work to ensure that all parking booths will be open. Some may have more shuttle buses and extra staff to assist passengers with automobile problems such as dead batteries or locking themselves out of their cars.

• ***Law Enforcement:*** Many airports will deploy additional law enforcement officers to monitor and control traffic flow at the curbside and for necessary enforcement of federal local and state regulations and laws.

• ***Infrastructure Maintenance***: Airports will have supplemental staff to quickly respond to problems in basic services such as heating and lavatories.

• ***Airport Concessions***: Many airport concessionaries, especially food outlets, will increase staff on the heaviest of travel days.

• ***Snow Removal:*** As always, in colder climates where snow is predicted or already falling, airports will have on hand snow removal equipment and implement irregular operations plans.

Airports, Airlines, TSA and CBP All Have Important Roles

Ensuring secure and expeditious travel for passengers, as well as providing a high level of customer service, is a shared responsibility between airports, airlines, the Transportation Security Administration (TSA), and Customs and Border Protection (CBP). However, airports understand the important role we play in addressing passenger needs during ground delays or severe weather. We have contingency plans in place to work with airlines in assisting passengers when weather or other factors cause irregular operations leading to extended ground delays. But we also recognize that those plans can be enhanced and we are working in cooperation with our member airports, airlines and federal authorities to make the current system better.

In September, more than 40 industry representatives from thirteen airports and six major airlines gathered at Dallas/Forth Worth International Airport (DFW) to facilitate better planning to collectively respond to significant service disruptions affecting passengers. The session at DFW provided a forum for airport and airline staff to identify passenger

needs and proactive strategies to minimize passenger discomfort during irregular operations.

Participants heard case studies of successes and failures and developed a mechanism to start sharing best practices across the industry to serve passengers' needs during significantly disruptive events. One airport discussed its detailed plans for deplaning passengers using airside portable stairways it had purchased to utilize during a disruptive event. Accommodating unaccompanied minors, providing sleeping mats, diapers, infant formula, pharmaceutical, medical assistance and developing unified passenger communication plans were also covered. The single most important conclusion, however, was the need for airports and airlines to employ the same techniques that have long been successfully used to plan for emergencies, snow storms and construction disruptions.

ACI-NA will also convene a January 17-18 meeting in Washington, DC with representatives from the airports, airlines, FAA, TSA and CBP to further identify needs and resources necessary to assure high quality passenger service during major disruptive events.

It is important to note that many factors outside the airport's control will greatly influence passengers' travel through the airport; most notably airline and TSA staffing. While there may be recognition that the number of travelers will increase during the holiday period, the fact that many of these passengers are not familiar with the check-in or security procedures must be considered. This can often lead to increased congestion and

confusion around airline kiosks, delays at the ticket counter, as well as in baggage and passenger screening. To quickly process the expected high volume of traveling passenger during the holiday season, it is critical that appropriate airline and TSA staffing be in place. Many airports have already met with both their airline tenants and the TSA Federal Security Director to discuss these important issues.

Potential delays from inadequate CBP staffing could also present problems for airports and passengers. Although international flight arrival patterns can vary considerably by time of year and day of week, the holiday season represents a busy time for passengers arriving from or traveling to foreign destinations. In cooperation with CBP officials, airports are working to ensure adequate CBP staffing levels to ensure efficient and timely processing for arriving international passengers.

Long Term Solutions

ACI-NA appreciates the leadership of the Subcommittee and full Committee in recognizing that expanding physical airport capacity should be the first priority when responding to airport congestion. While airports are being pro-active and working diligently this holiday season to ensure a positive experience for the traveling public, we believe that H.R. 2881, the "Federal Aviation Administration Reauthorization Act of 2007," serves as the long-term solution that will provide airports the financial tools necessary to build critical safety, security and capacity projects, including new runways, taxiways and terminals to meet growing airline passenger needs. By increasing the ceiling on the Passenger Facility Charge user fee to $7.00, as found in H.R. 2881, airports

can meet the growing passenger demand by planning *now* to invest in modern, secure and comfortable and environmentally compliant facilities for air travel. We appreciate your hard-work in passing H.R. 2881, and are committed to working with you to complete FAA Reauthorization this year.

Summary

In closing, ACI-NA and its member airports thank you for the opportunity to provide this information. We look forward to working with you on this important issue for the aviation industry.

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