

September 2013 Update- All things Aviation:



If you'd like additional information, please contact Newport Beach City Manager Dave Kiff at dkiff@newportbeachca.gov.

John Wayne Operations August

Airline passenger traffic at John Wayne Airport increased in August 2013 as compared to August 2012 by 1.47%. The August figures are on the heels of a May increase of 7.8%; June 3.4% and July 2.2%. Year to date the figures at the airport are +5.0%. August ADDs for August 2013 were 118.03 vs. 120.45 for 2012. Of the ADDs, the international flights accounted for 5.32 ADDs or 4.5%. Also in August 2013, of the total of all of the passengers, 4.48% can be attributed to international passengers; and of the increase in passenger, i.e. 12,365, for the month of August, 79.6% of that increase, i.e. 9,847 can be attributed to the increase of International travel.

EIR/JWA Settlement Progress

On September 10, 2013, the Orange County Board of Supervisors approved the necessary environmental agreements in order to move ahead with the Settlement Agreement Process. The following agreements were approved: ENVIRON for Air Quality Analysis, Fehr & Peers for Traffic and Circulation Analysis, AECOM for Aviation Analysis Services, Landrum & Brown for Noise Analysis Services and BonTerra Consulting for EIR Preparation.

Here is a tentative schedule for the process, given the Supervisor's approval on September 10:

Notice of Preparation issued: October 2013

Draft EIR issued: January/February 2014

Board of Supervisors consideration of Draft EIR: June/July 2014

The biggest unknown is the date for the final action by the Board since it will be impacted by the number of comments submitted on the draft EIR and no one knows how many comments may be received.

JWA-2014 Access Plan

On September 4, 2013, the Orange County Airport Commission approved the Access Plan for the 2014 Plan Year. The Plan will go to the Orange County Board of Supervisors for final approval on October 1, 2013. The highlights of the Plan provide:

Approved the allocation of Regulated Class A Average Daily Departures, Seat Capacity, Remain Overnight Capacity and Passenger Capacity to scheduled Commercial Passenger Carriers, Commercial Cargo Carriers and Commuter Carriers under the County's Access Plan for the 2014 Plan Year (January 1, 2014 through December 31, 2014), and other related actions.

Allocation requests approved: 84.421 Class ADDs vs. 84.631 for 2013 (allowed 89 with Cargo currently); All airlines were able to obtain as many Class A ADDs as requested; Southwest Airlines, the only incumbent Air Carrier to request additional Regular Class A ADDs.

Seat Requests approved: 11,390,219 for 2014 vs. 12,208,004 for 2013;

Forecast of MAP: 9.3 MAP for 2014 vs. 9,222,121 for 2013.

2nd Quarter Noise Operations JWA

Pursuant to the reports released by JWA, on or about September 11, the ADDs for the second quarter of 2013 were 118.14 ADDs. Of the total number of ADDs, 37.62 were Class E and 80.52¹ were Class A ADDS. This compares to 2012 when there was a total of 114.88 ADDs for the same quarter of which 37.46 were Class E and 77.42 were Class A, ADDs. Here is a comparison for the second quarter for years 2011-2013:

<u>2nd Qtr. Of Year</u>	<u>ADDs</u>	<u>Class A</u>	<u>Class E</u>	<u>YTD MAP</u>
2013	118.14	80.52	37.62	4.498
2012	114.88	77.42	37.46	4.232
2011	114.97	79.03	35.94	4.190

Noise Comparisons

Class A Aircraft Single Event Noise Comparisons-Southwest Airlines 2nd Quarter 2011-2013 at Noise Monitors 4-7. (7377)

SWest A	NMS4	NMS5	NMS 6	NMS 7
	84.3	83.8	85.1	82.3
2013				
2012	83.3	82.8	84.0	81.3
2011	82.0	81.1	82.2	79.9
Noise Limits	94.1	94.6	96.1	93.0

Class E Southwest Airlines 1st Quarter 2011 - 2013 at Noise Monitors 4-7.

S West E	NMS 4	NMS 5	NMS6	NMS7
2 nd Qtr				
2013	83.8	82.9	84.2	81.8
2 nd Qtr				
2012	83.1	81.9	83.3	80.4
2 nd Qtr 2011	81.9	81.0	82.2	79.4
Noise Limits	86.0	86.6	86.6	86.0

¹ Under the current JWA Settlement Agreement there are 85 Class A, ADDS allowed plus 4 Cargo flights of which 2 may if not otherwise utilized by the Cargo Carriers, as the case is currently, be allocated to the 85 Class A ADDs for a total of 89.

American Airlines

AA-Class A-738	NMS4	NMS5	NMS6	NMS7
2 nd Qtr				
2011	88.3	87.8	88.8	85.3
2 nd Qtr 2012	88.8	88.2	89.3	85.9
2 nd Qtr 2013	88.5	88.3	89.2	85.8
Noise Limits	94.1	94.6	96.1	93

General Aviation Jets

A number of people have asked about the numbers of General Aviation Jets at JWA. Here is a comparison for the 2nd Quarter of the years 2011-2013:

GA Jets Number of	ADDs	NMS4	NMS5	NMS6	NMS7
2 nd Qtr					
2011	37.07	83.7	83.4	83.5	84.0
2 nd Qtr 2012	30.75	83.5	82.9	83.6	83.2
2 nd Qtr 2013	33.34	82.7	82.2	82.5	82.1

Airports in the Region

Long Beach – July and August

July proved to be a disappointing month for Long Beach Airport. Total passenger traffic was -3.1 % for the month versus July of 2012. At the same time year to date the airport is -9.0%. This is still at load factors of 88% for the major carriers, Alaska; Delta; JetBlue and US Airways. The airport averaged approximately 41.4 ADDS for Commercial and Commuter Operations, through June.

August likewise proved disappointing. Despite averaging load factors year to date of 89%, total passenger traffic for August was -7.3% versus August 2012. Year to date through August total passenger traffic is -8.7%. The airport averaged approximately 43.48 ADDs for Commercial and Commuter Carriers.

Private Jet Service Relocates to JWA from Long Beach

Unhappy management of JetSuite a private jet service left Long Beach Airport in 2011, relocated to Orange County and couldn't be more elated operating in "a pro-business community," according to a spokesperson for the company.

LAX

Los Angeles International Airport saw a 4.47 % increase for July; year to date the airport is 4.2% ahead of this time last year.

ONT

Ontario saw a -12.2% decline for the month of July and year to date is -8.62% over 2013.

Good News for Ontario-to add Flights to Guadalajara

Aeromexico, which already operates at Ontario, will be resuming daily service to Guadalajara on October 1. The increase marks the first time since 2006 that daily service is available from ONT. AeroMexico has continued to increase its number of flights, from four to seven flights per week, marking a significant move for AeroMexico and is welcome news for travelers at ONT. Earlier Volaris applied to the U.S. Department of Transportation for the right to fly the same route. Volaris is a relatively new airline, having begun operations in 2006. Currently, Guadalajara is the only international destination for Ontario.

More Good News for ONT

Ontario International Airport announced that United Airlines will add a fifth flight from ONT to San Francisco beginning December 19, 2013. United already operates four flights daily.

Good News Again for Ontario

A Superior Court judge has overruled a motion by the city of Los Angeles to dismiss the lawsuit filed by Ontario officials to wrest control of the airport in its own backyard from L.A, on Wednesday September 25. Attorneys for Los Angeles challenged the lawsuit from Ontario, arguing it had no legal grounds to sue and that as part of the Joint Powers Agreement, Ontario had agreed to sell LA/Ontario International Airport to Los Angeles.

More Ontario Talk

The declining passenger numbers at Ontario airport continue to be a subject of more discussion but little action. Ontario Councilman Alan Wapner addressed the San Bernardino County Board of Supervisors about the continuing demise of the airport and blamed LAX for failing to sustain growth at the airport let alone its current demise. Among other things Wapner highlighted the fact that ONT has the highest per-passenger cost of Southern California airports.

In addition, the Greater Riverside Chambers of Commerce's recently met with the Southwest Airlines executives in Dallas. One big problem identified in that meeting was that no one east of the Rockies knows about SoCal's Ontario. "Ontario CA" to them means the Canadian province, not the California city. While LAX had a big advertising campaign to rebrand ONT, it apparently failed, including the failure of LAWA to even measure the results of the 3.5 Million dollar advertising campaign.

But as noted by other analysts, it is not just the economy that has crippled the Ontario airport, nor necessarily LAWA's inability to market the airport rather, there has been a change in the way airlines operate, analysts say, prizing profitability now more than market share, which has driven airlines away from smaller airports to larger ones nearby. Southwest Airlines, the main tenant at Ontario, began there in 1985 with five daily flights to Phoenix. It once flew 64 flights a day from Ontario in the late '90s, but is now down to 35 flights a day. An additional reduction of 12 percent has been announced for January. At the same time, it has expanded service at Los Angeles International.

Burbank Continues Slide

The number of passengers traveling through Bob Hope Airport slid again in July - 8.24% in July and Bob Hope's largest carrier, Southwest Airlines announced that it will cut 42 flights at the Burbank airfield by the end of the month. Burbank is -4.82% year to date over last year.

Airlines

Southwest- Revenues Up and Passengers Down

July figures released by Southwest estimate that its passenger revenue per available seat mile was up 4% to 5% in July, compared to July of 2012, according to the airline's traffic report released today. At the same time, Southwest carried 3.2% fewer passengers this past July than it did in July 2012, while flying 4.7% fewer flights. For the July-to-July comparison, revenue passenger miles dropped 0.7% on flights that increased in distance by an average 2.6%. Those longer flights increased its available seat miles by 0.6%. The airline used only 83.5% of its flying capacity, or load factor, for the month, compared to 84.6% for last July. Year-to-date, Southwest carried 0.9% fewer passengers than it did for the first seven months of 2012 while seeing its revenue passenger miles increase by 1.2%. The airline's load factor for the first seven months of 2013 was 80.1%, compared to 80.5% for 2012.

Alaska

Alaska reported an 8.1 percent increase in traffic on a 9.2 percent increase in capacity compared to August 2012. This resulted in a 0.9 point decrease in load factor to 88.0 percent.

US Airways Soars

August proved to be a very good month for US Airways, as they reported the year-to-date 2013 traffic results. Mainline revenue passenger miles (RPMs)² for the month were 6.3 billion, up 6.3 percent versus August 2012. Mainline capacity was 7.1 billion available seat miles (ASMs), up 5.6 percent versus August 2012. Mainline passenger load factor³ was a record 87.9 percent for the month of August, up 0.6 points versus August 2012.

Europe and US Face Battle Over Carbon Emissions

As representatives of 191 countries gather in Montreal, Canada in September to develop global standards for aviation emissions, battle looms over the interests of US carriers and their European counterparts. Greenhouse gas emissions from commercial flights are growing at a steep rate, and nations participating in the International Civil Aviation Organization meeting said they hope that it leads to strong, enforceable standards. So far, the chances appear slim, according to observers.

The European Union levies a fee on greenhouse gas emissions for flights originating or ending in Europe. It is strongly opposed by U.S. carriers, who have said it violates international law and penalizes longer routes that non-European airlines fly. If the Sept. 24 meeting in Montreal falters, it remains unclear what course of action may ensue. One official said U.S. airlines are consuming 10% less fuel than they were a decade ago despite a more than 15% increase in passengers and cargo.

² A transportation industry metric that shows the number of miles traveled by paying passengers. Revenue passenger miles are calculated by multiplying the number of paying passengers by the distance traveled. For example, an airplane with 100 passengers that flies 250 miles has generated 25,000 RPMs.

³ Another transportation metric used to calculating the average occupancy on an Airline's route.