LAX Community Noise Roundtable

Aviation Noise News Update
January 8, 2014
2013 Passenger Facility Charges Devoted to Noise Mitigation

- **Passenger Facility Charges (PFCs)**
  - A total of 107 airports used PFCs for noise mitigation equaling $3.29 billion
  - Equivalent to 4 percent of total PFC monies ($87.34 billion)

- **The FAA subdivides noise mitigation projects into six categories as follows:**
  - Soundproofing: $1.36 billion (41.3 percent)
  - Multi-phase projects: $1.37 billion (41.7 percent)
  - Land acquisition: $506.2 million (15.4 percent)
  - Noise monitoring systems: $18.6 million (0.6 percent)
  - Planning: $15.2 million (0.5 percent)
  - Miscellaneous projects: $15.5 million (0.5 percent)

- **Of the 107 airports, LAX has used the most PFC revenue ($822.5 million) for noise mitigation projects since the program’s inception**
• **Airport Improvement Program (AIP) Grants**
  – 25 airports used AIP monies for noise mitigation equaling $125.6 million, which was $63.6 million less than the $189.2 million awarded to 29 airports in 2012
  – The funding for noise mitigation projects peaked in 2005 when 57 airports received $337.1 million
  – This reflects a congress-mandated broadening of the special noise set-aside in the AIP program to also fund airport emissions projects and, more recently, cuts in the budget

• **The $125.6 million awarded in 2013 includes:**
  – $109.6 million to 17 airports for sound insulation of homes
  – $4.2 million to two airports for insulation of public buildings (schools)
  – $9.2 million to four airports for land acquisition
  – $2.2 million to six airports for noise compatibility planning studies
  – $179,098 to one airport for installation of a noise monitoring system

• **Jurisdictions near LAX received the most AIP funding for noise mitigation equaling $20.5 million for residential sound insulation**
L.A. Area House Members Launch New Effort on Helo Noise

- The proposed L.A. Residential Helicopter Noise Relief Act has been unable to get off the ground in Congress, now lawmakers are turning to Plan B
  - Five L.A. area law-makers are seeking to attach language to a spending bill that would direct the FAA to write rules to reduce helicopter noise unless voluntary measures are working
  - The bill is due to go before Congress early this year, however, there is fear of pushback since the House controlled Republicans are wary of increased federal regulation
- The language the L.A. lawmakers are seeking would also adjust helicopter routes if they would reduce noise over L.A. neighborhoods
  - Develop and promote best practices for helicopter hovering and electronic news gathering
  - Conduct outreach to helicopter pilots to inform them of voluntary noise abatement policies
  - Increase awareness of noise-sensitive areas and events
  - Develop a more comprehensive noise complaint system
- "I would hope that we have a shot at it," said Representative Adam Schiff, "It is an approach that gives the voluntary efforts a chance to succeed."

A bill (H.R. 3650) was introduced in the House of Representatives to require the FAA to issue new regulation requiring airlines to meet Stage 4 noise certification levels

- The regulation would go into effect by the end of 2015
- Airlines would be required to phase in quieter engines at a rate of 25 percent of their fleet every five years
- By 2035, at the latest, all commercial airplanes operating to or from airports in the U.S. will comply with Stage 4 noise standards

The bill would also instruct the FAA to develop a program to develop, mature, and certify aircraft technology that will enable in-service and in-production civil turbojets to meet existing Stage 4 standards

- Encourage research and development of quieter engine technologies
- Enter into a cooperative agreement with an institution or consortium on a cost-sharing basis with federal funding
- Encourages working with ICAO to consider a global phase-out of aircraft not meeting Stage 4
Two-Year Budget Deal is a Relief to the Aviation Industry

- Senate passage of the so-called Ryan-Murray budget framework represents an agreement that significantly softens the effects of sequestration to the FAA
  - Previously, the October government shutdown severely affected the FAA and its employees by rolling furloughs and threats of contract tower closures
  - The Aerospace Industries Association called the shutdown “perhaps the greatest challenge to general aviation in 2013,” resulting in the furlough of more than one-third of FAA’s employees
  - “The aviation industry is among the country’s most heavily regulated industries, so when government services are reduced or eliminated, our industry feels the impact more acutely than others do,” said NBAA’s Ed Bolen.

- The passing of the budget deal could help avoid another situation in which the FAA must issue furloughs and close contract control towers, or use AIP monies to fund them
  - Cuts are expected to remain a reality in the next few budget seasons, and the FAA will likely continue to face tight budgets and difficult choices

Justice Department Settles Merger of AA and US Airways

• The Justice Department announced late last year that it settled its lawsuit against the merger of American Airlines and US Airways
  – Clears the way for American and US Airways to become the world’s largest airline

• The settlement will increase the presence of low cost airlines in Los Angeles among other AA and US Airways hubs to ensure more competition amongst carriers
  – AA and US Airways will surrender two gates each at Los Angeles, but ensures LAX will remain a hub for the new combined airline
  – For a period of five years, the merged company will continue daily service from the airlines’ current hubs to each of the states that filed the lawsuit: AZ, PA, MI, TN, VA
  – The new AA CEO said that the airline must decide which destinations it will drop (less flights) as a result of the merger

January 1, 2014 marked the 100th Anniversary of commercial flight

- The first commercial flight occurred in Tampa Bay in 1914 on the St. Petersburg-Tampa Airboat Line and lasted 23 minutes. The flight had room for just one passenger

CEO’s were asked what they predicted the future of commercial aviation will hold

5 YEARS:
- Richard Anderson, CEO Delta Air Lines: “Just over a decade ago airlines seemed to be buying every 50-seat aircraft they could get their hands on. But the real utility of those small jets has come and gone and in the next five years we’ll see their numbers in the U.S. continue to dwindle.”
- Gary Kelly, CEO Southwest Airlines: “We’ll have fewer airlines, but they will be bigger, stronger and healthier.”

25 YEARS:
- Jeff Smisek, CEO United Airlines: “The airframe and engine manufacturers continue to develop aircraft that are more fuel-efficient, have lower maintenance costs and have greater range and utility. Longer term, I believe manufacturers will explore engine and airframe technology that could significantly reduce travel times, but advances in this area would have to be safe and economical to make a real impact on our industry.”

100 YEARS:
- Doug Parker, CEO American Airlines: “I am quite certain that Tony Jannus never could have imagined the size and importance of commercial aviation today, or the impact it had on changing our world. Similarly, I cannot imagine what commercial aviation will look like in 2114. I imagine whatever state it is, though, it will be extremely important and its continued development will be a key part of the story that built that world.”
On January 6, 2014, Delta retired its last remaining Douglas DC-9 aircraft, the last scheduled commercial flight of the DC-9 by a major U.S. carrier.

The DC-9 retirement comes just months after Delta began taking delivery of 88 quieter, more efficient Boeing 717 aircraft, and 100 Boeing 737-900ER aircraft.

- Since 2008, Delta has removed or retired more than 350 aircraft from its fleet including 50-seat CRJ-200s, Saab 340s, and DC-9s.