Status Report on The Region's Airports

Regional Airports Forum
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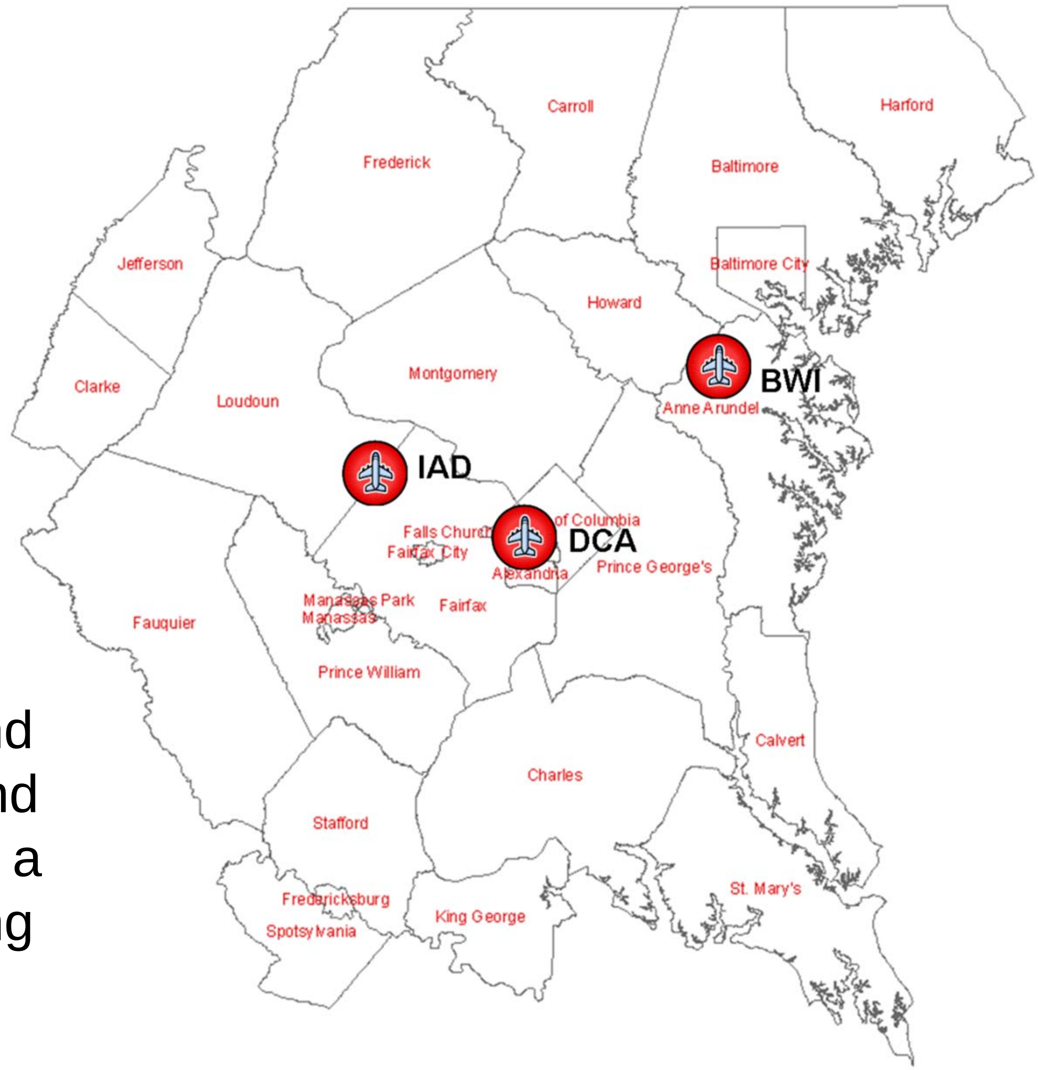
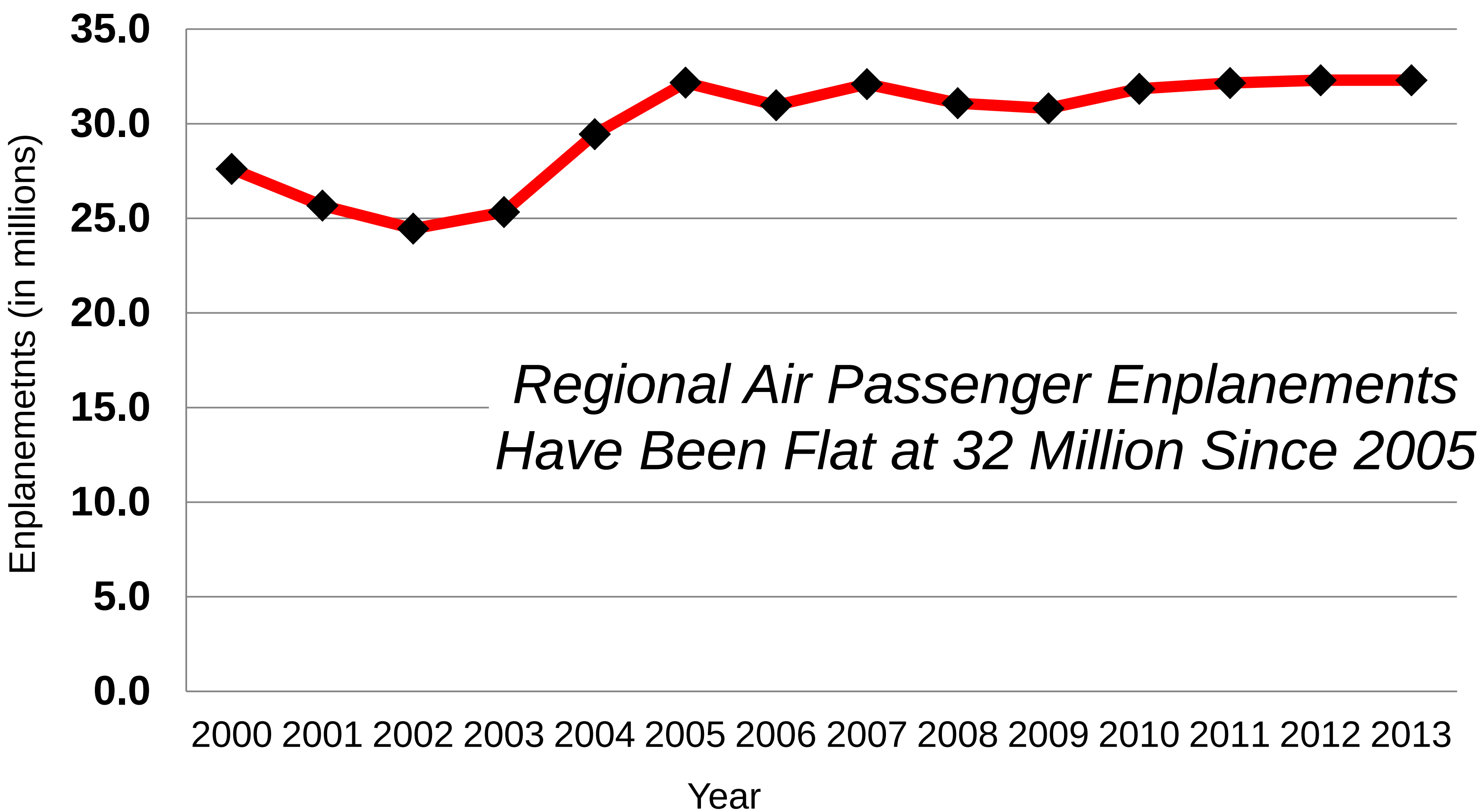
Having Three Commercial Airports is a Key Regional Asset

- Historically, three airports with three distinct markets
- Serve air passengers and air cargo
- Multimodal ground access
- COG (with MWAA and MAA) conducts regional air passenger surveys every two years
- COG also prepares airport ground access forecasts, monitors ground access travel time, and prepares a regional air system plan (including an air cargo element)

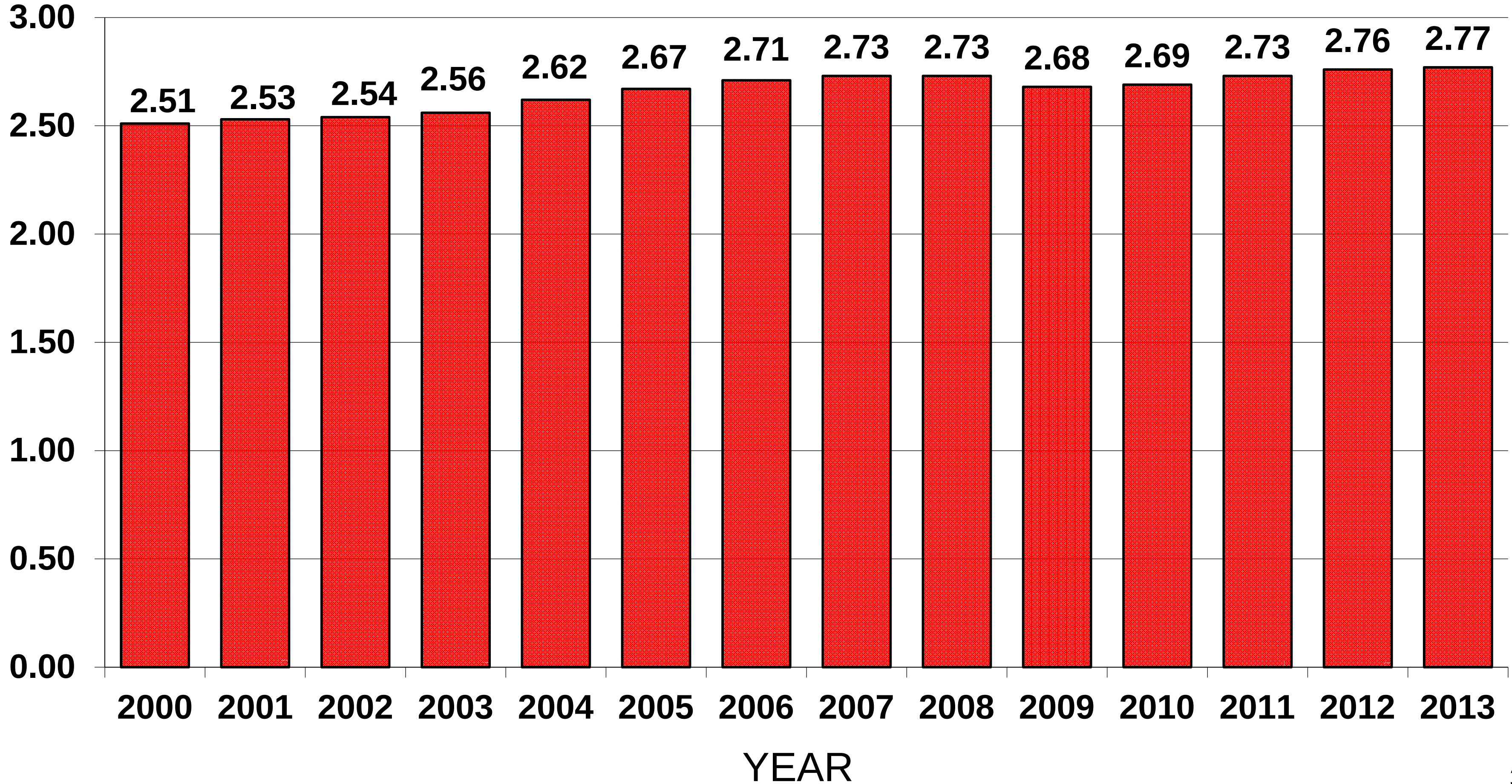


Regional Air Passenger Enplanements Trend (2000 – 2013)

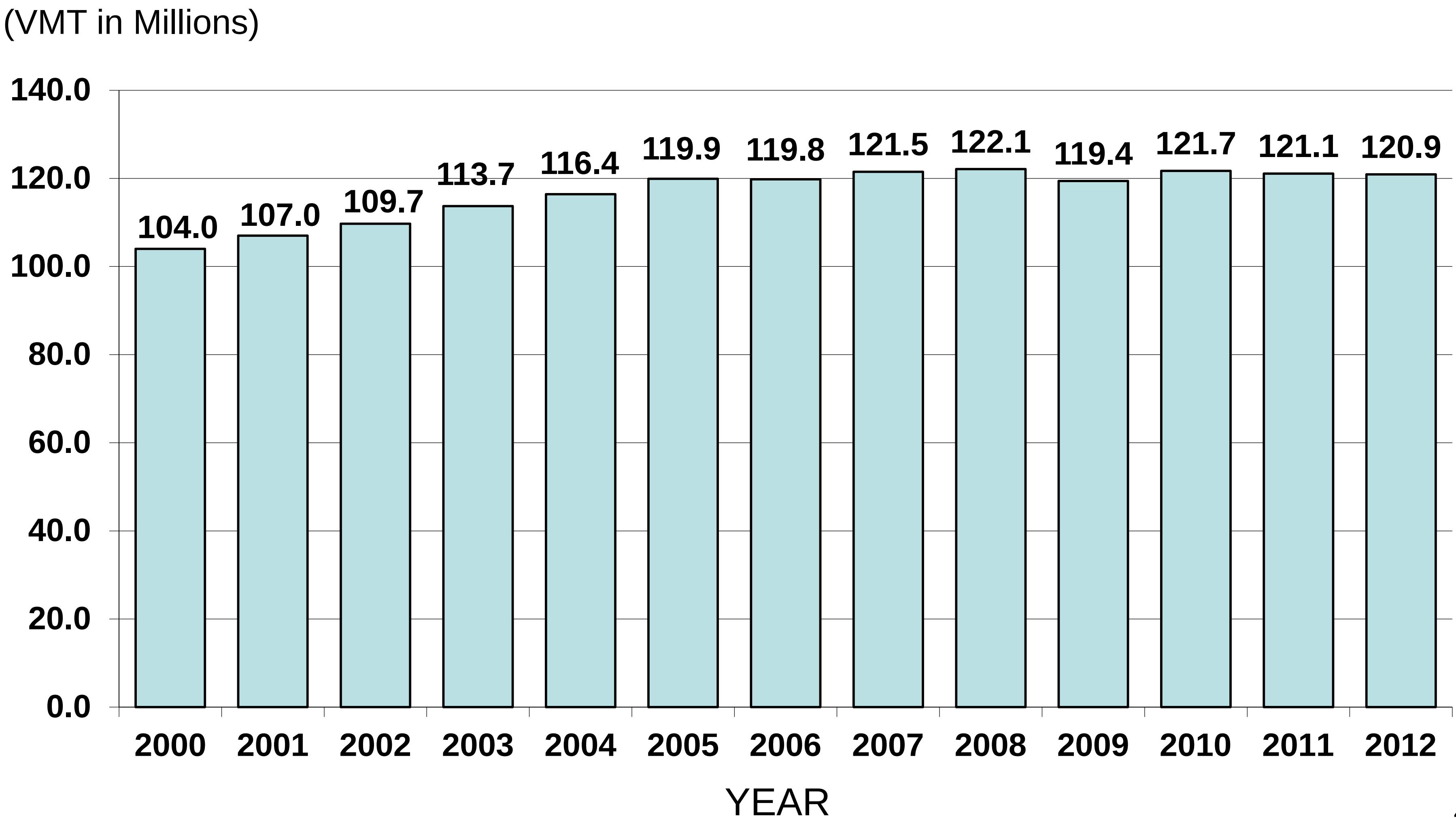


Regional Employment 2000-2013

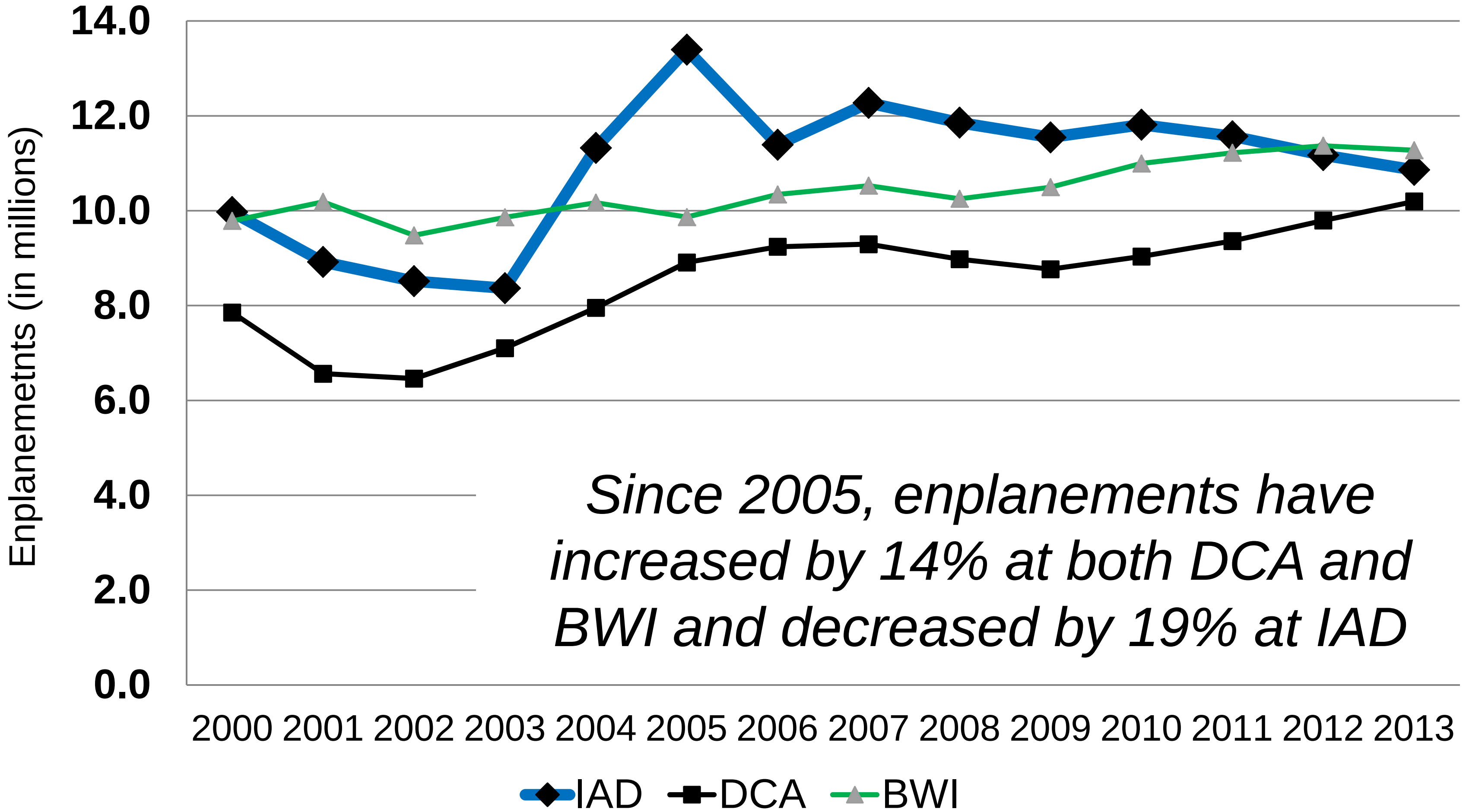
(Wage & Salary Employment in Millions)
Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages



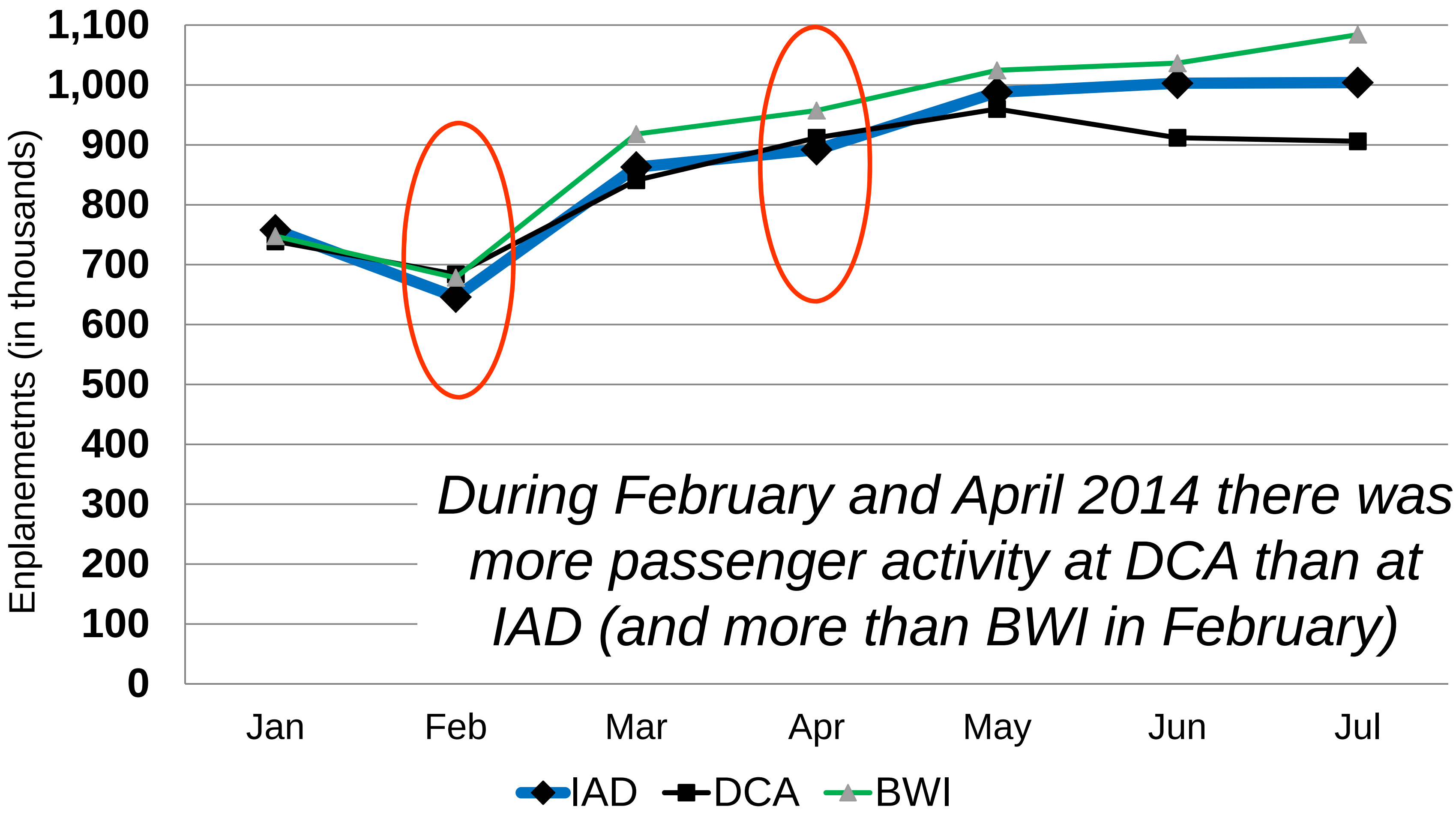
Regional Trend 2000-2012
Daily Vehicle-Miles of Travel



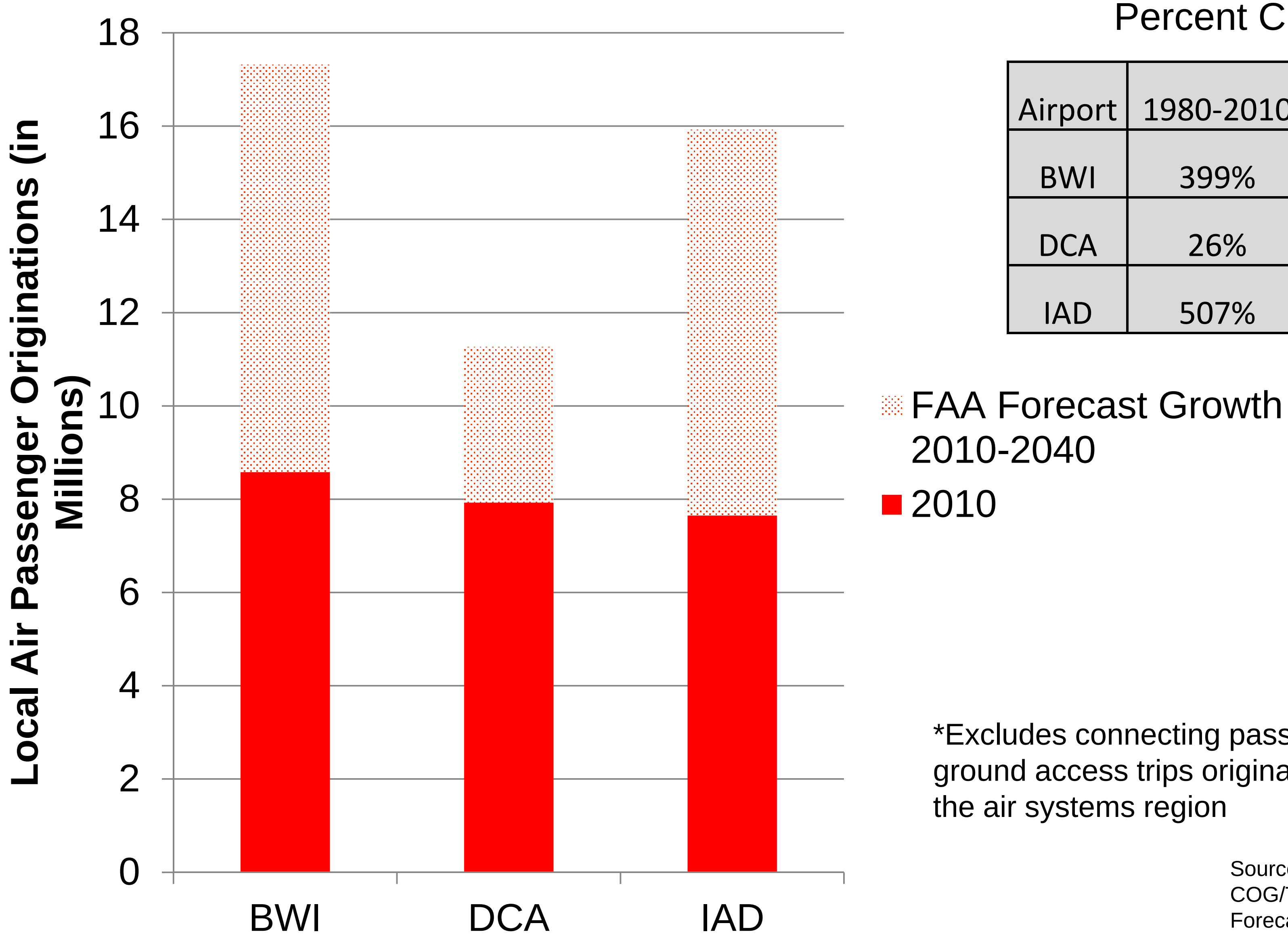
Regional Air Passenger Enplanements Trend (2000 – 2013) by Airport



Regional Air Passenger Enplanements Trend (2014 YTD) by Airport



Historic and Forecast Growth in Local Air Passenger Originations*



Percent Change

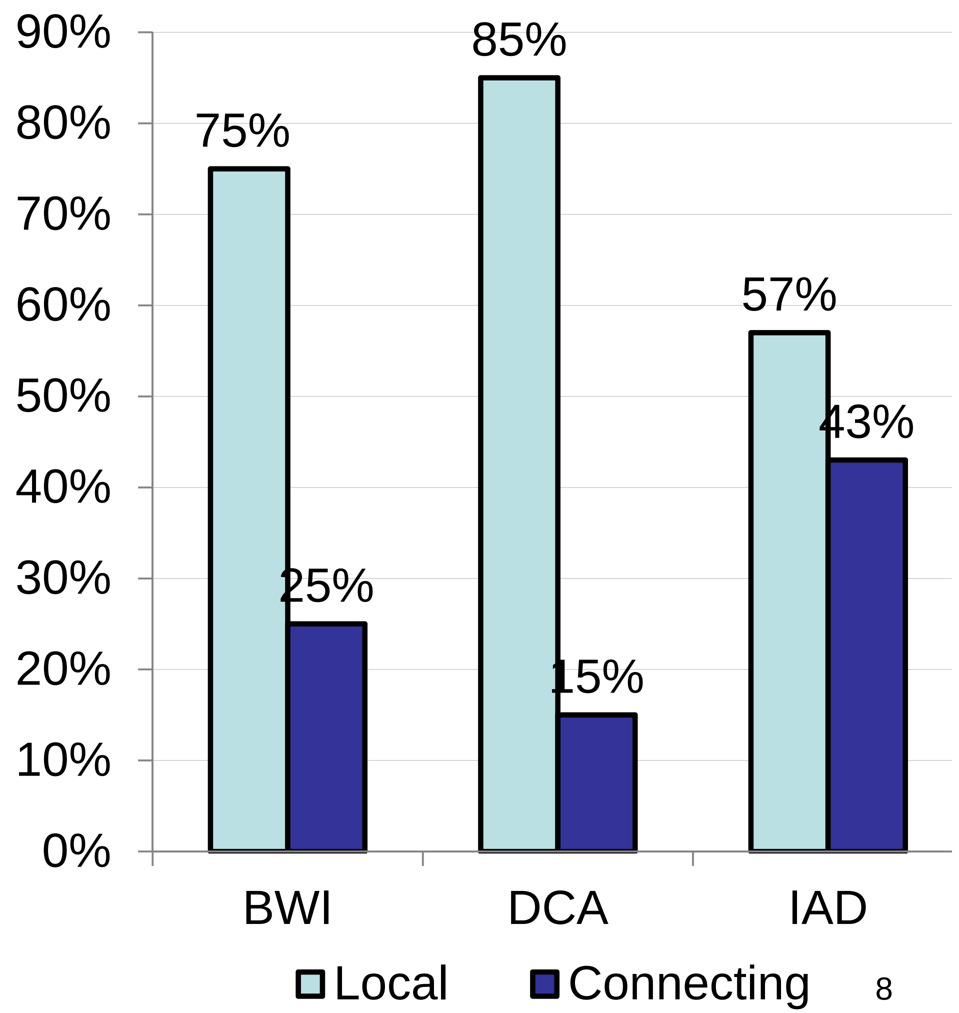
Airport	1980-2010	2010-2040
BWI	399%	102%
DCA	26%	42%
IAD	507%	108%

*Excludes connecting passengers and ground access trips originating outside the air systems region

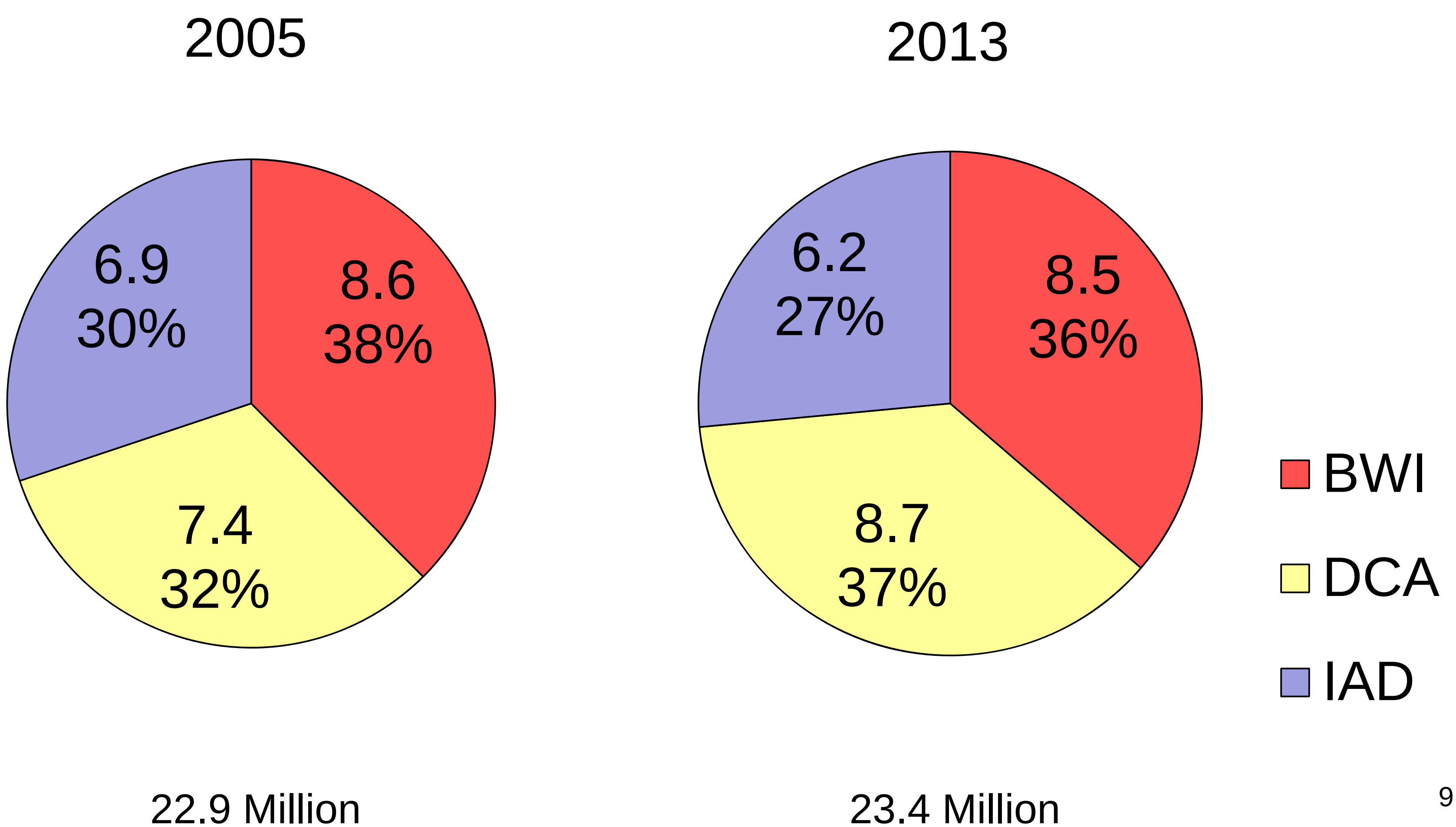
Source: FAA TAF (2013)
COG/TPB Ground Access Forecast Update

Locally Originating vs. Connecting Passengers (2013)

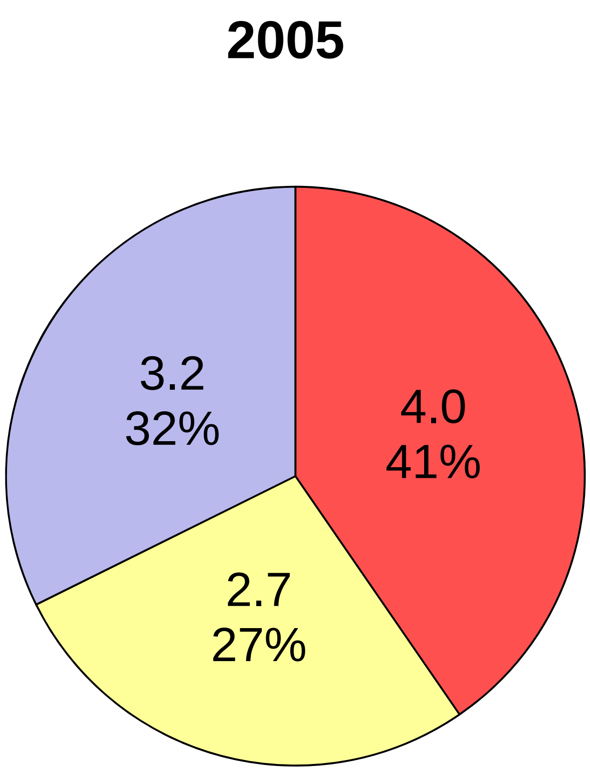
- Locally originating passengers use the regional surface transportation network to access the airport
- Connecting passengers are often flying an airline for which the airport is a hub or focus city



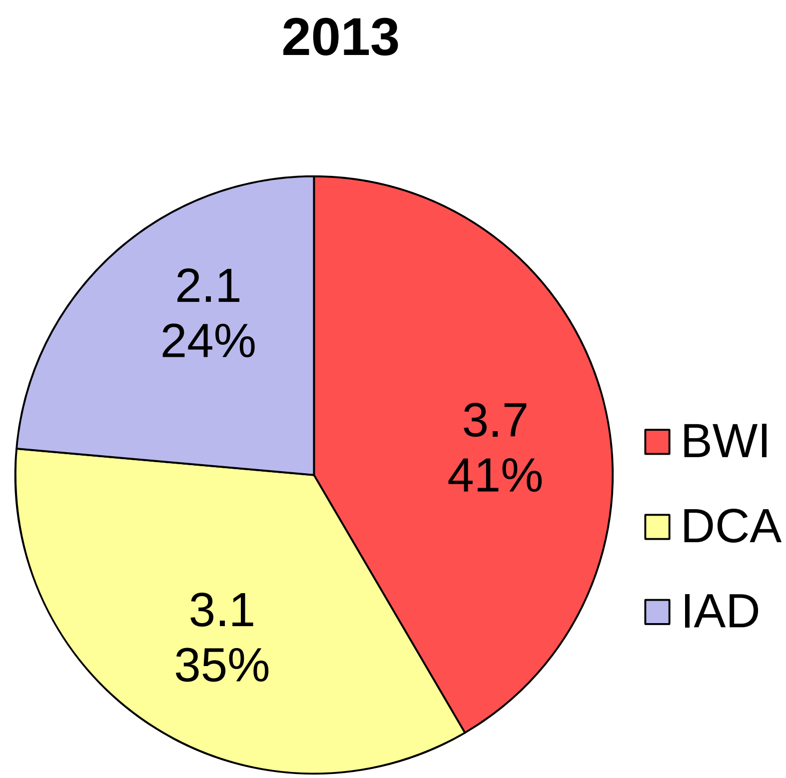
Change in Locally Originating Passengers by Airport



Locally Originating Air Passengers Who Reside in the Washington-Baltimore Region, by Airport

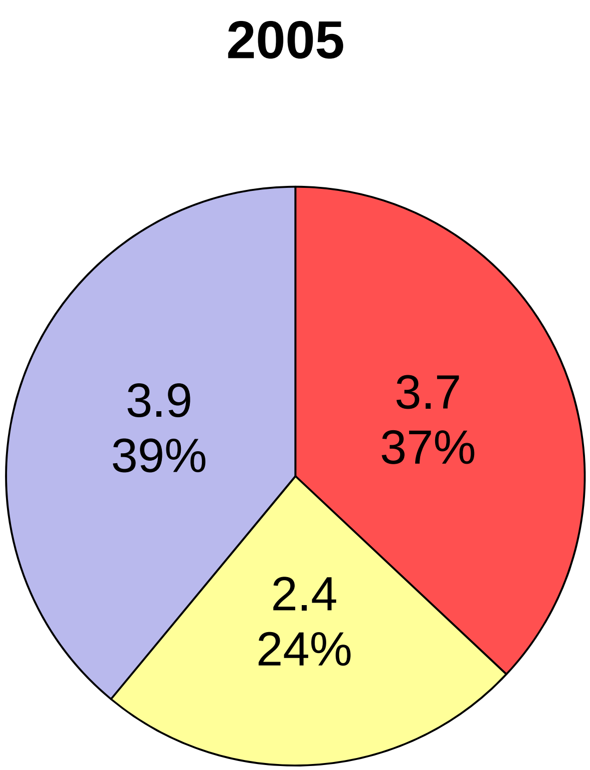


9.9 Million Enplanements (50% of total)

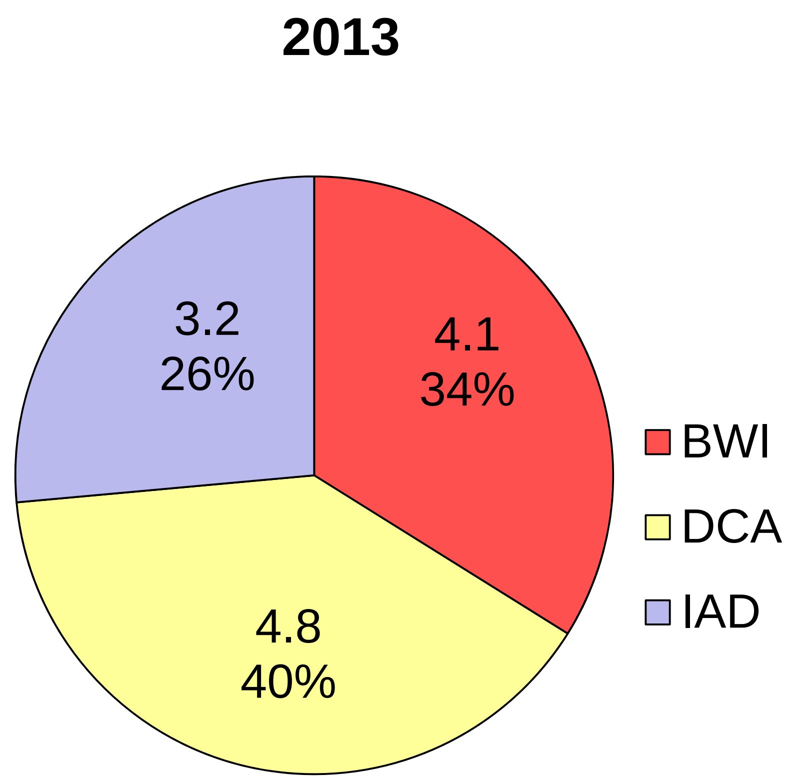


8.9 Million Enplanements (42% of total)

Locally Originating Air Passengers <u>Who Do Not Reside</u> in the Washington-Baltimore Region, by Airport



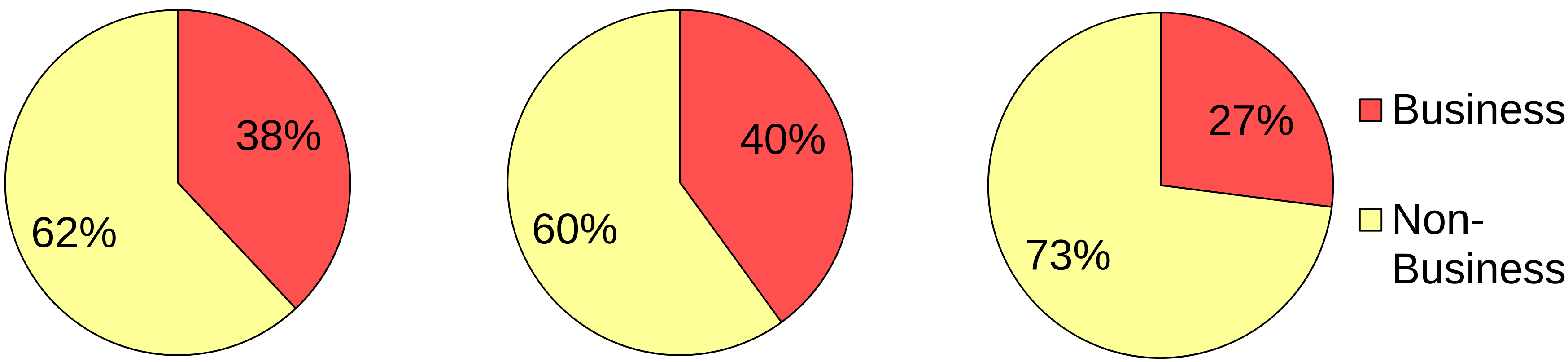
10.0 Million Enplanements (50% of total)



12.1 Million Enplanements (58% of total)

Trip Purpose for Air Passengers Who Reside in the Washington-Baltimore Region

2005 | **2011** | **2013**



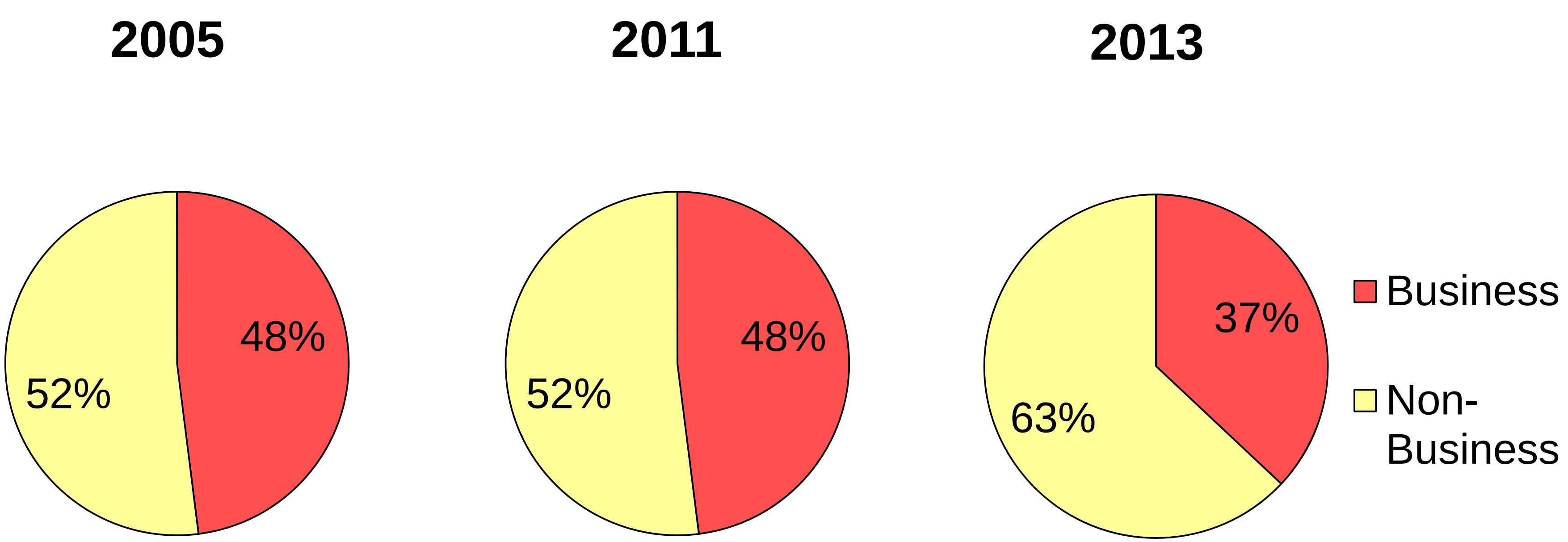
Federal Sequester
Federal Shutdown

8.2 Million Passengers

10.1 Million Passengers

8.6 Million Passengers

Trip Purpose for Air Passengers <u>Who Do Not Reside</u> in the Washington-Baltimore Region



11.1 Million Passengers

11.5 Million Passengers

12.0 Million Passengers

Factors Influencing Airport Choice by Trip Purpose (2013)

	Business	Non-Business	All
Closest airport	59%	53%	55%
Better public ground transportation	2%	3%	3%
Better access roads and parking	3%	3%	3%
More convenient flight times	9%	8%	8%
Only airport with direct flight	7%	6%	6%
Less expensive airfare	10%	19%	16%
Frequent flyer with specific airline	4%	3%	3%
Only airport serving market	3%	2%	2%
Other	3%	3%	3%

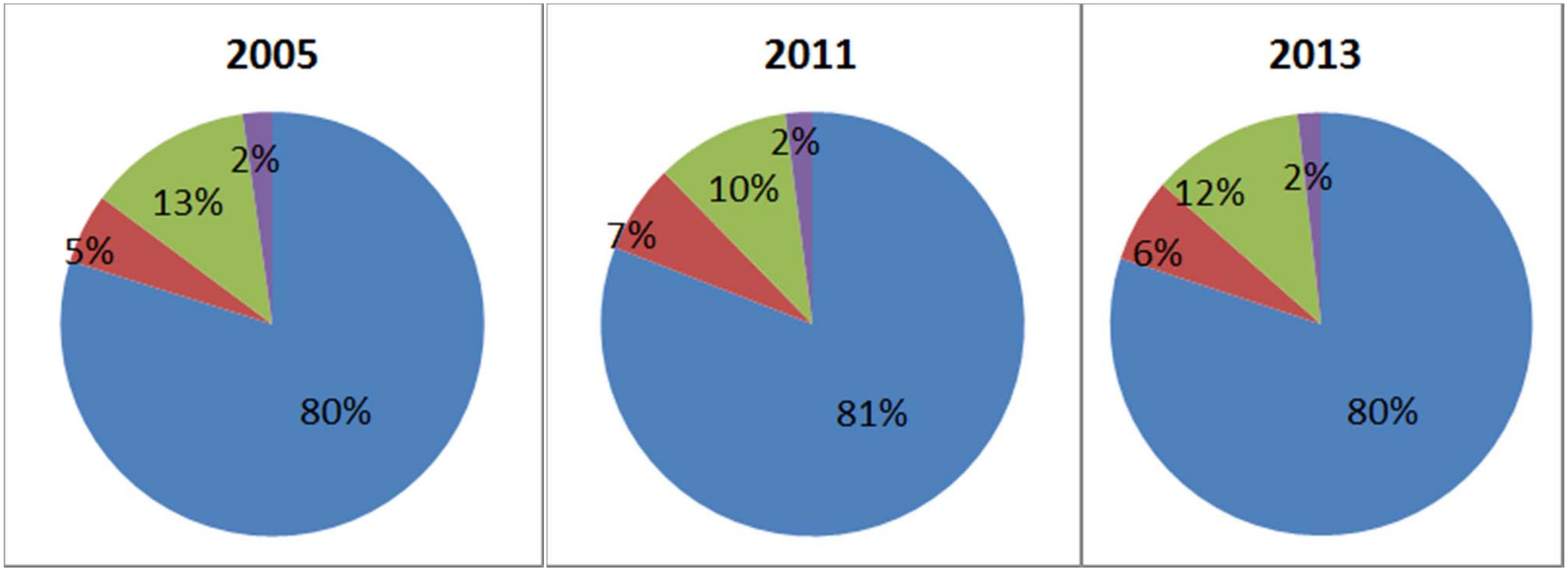
Factors Influencing Airport Choice for Business Travelers – by Airport (2013)

	BWI	DCA	IAD	All
Closest airport	58%	70%	45%	59%
Better public ground transportation	1%	4%	1%	2%
Better access roads and parking	4%	2%	5%	3%
More convenient flight times	8%	8%	13%	9%
Only airport with direct flight	5%	4%	14%	7%
Less expensive airfare	15%	5%	10%	10%
Frequent flyer with specific airline	4%	3%	5%	4%
Only airport serving market	2%	2%	5%	3%
Other	4%	4%	3%	3%

Factors Influencing Airport Choice for Non-Business Travelers – by Airport (2013)

	BWI	DCA	IAD	All
Closest airport	55%	58%	42%	53%
Better public ground transportation	1%	6%	1%	3%
Better access roads and parking	3%	2%	5%	3%
More convenient flight times	6%	8%	12%	8%
Only airport with direct flight	4%	4%	12%	6%
Less expensive airfare	24%	15%	18%	16%
Frequent flyer with specific airline	3%	2%	4%	3%
Only airport serving market	2%	1%	5%	2%
Other	2%	4%	3%	3%

Airport Trip Mode of Access (Regional)



Metrorail Share at DCA 13%

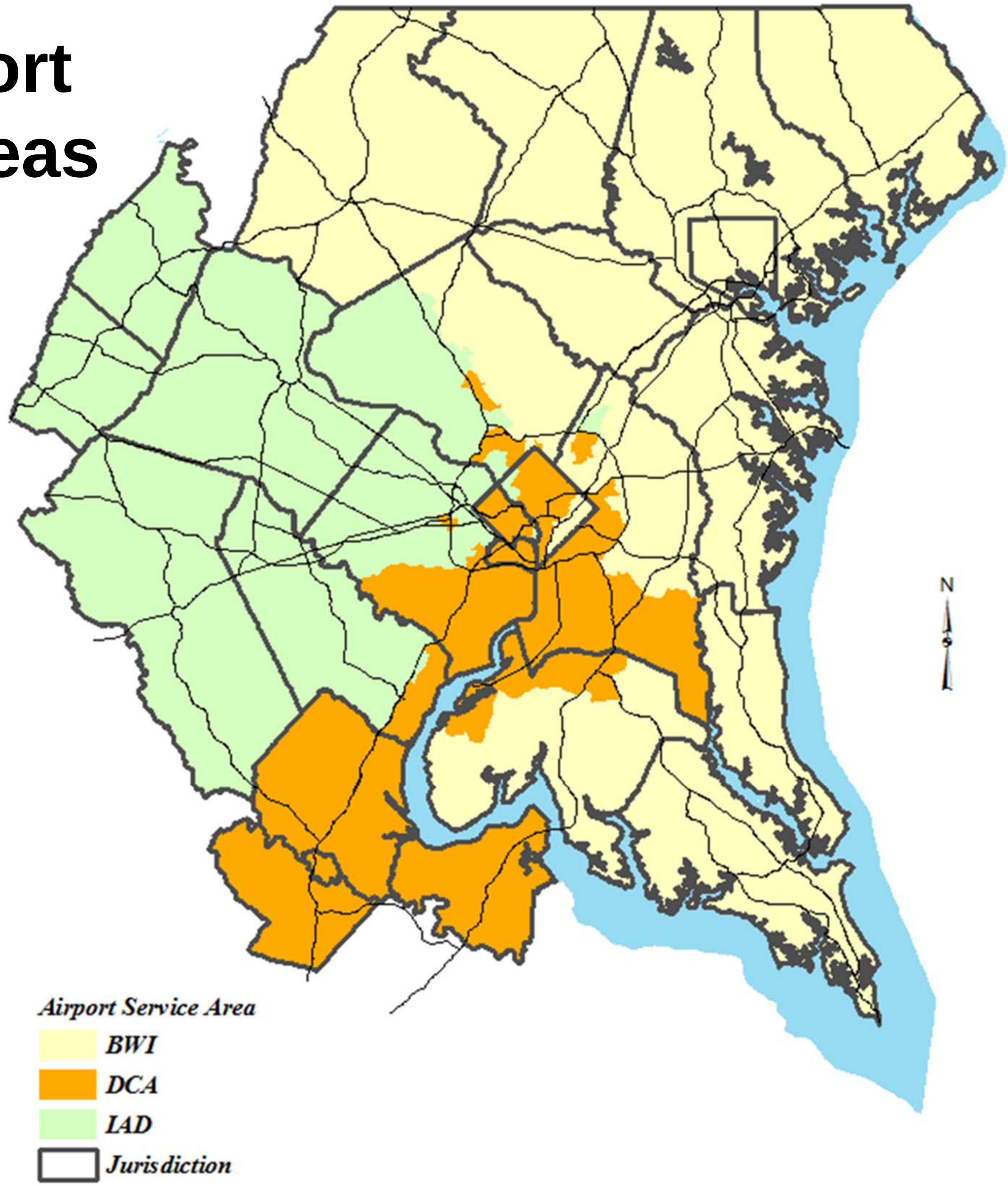
Metrorail Share at DCA 16%

Metrorail Share at DCA 15%

- Private Car / Rental Car / Taxi
- Metrorail / Light Rail / Amtrak
- Airport Bus / Van / Limo + Hotel / Motel Bus
- Metrobus / MTA Bus / Other

DCA's transit usage is among the highest in the country for airports

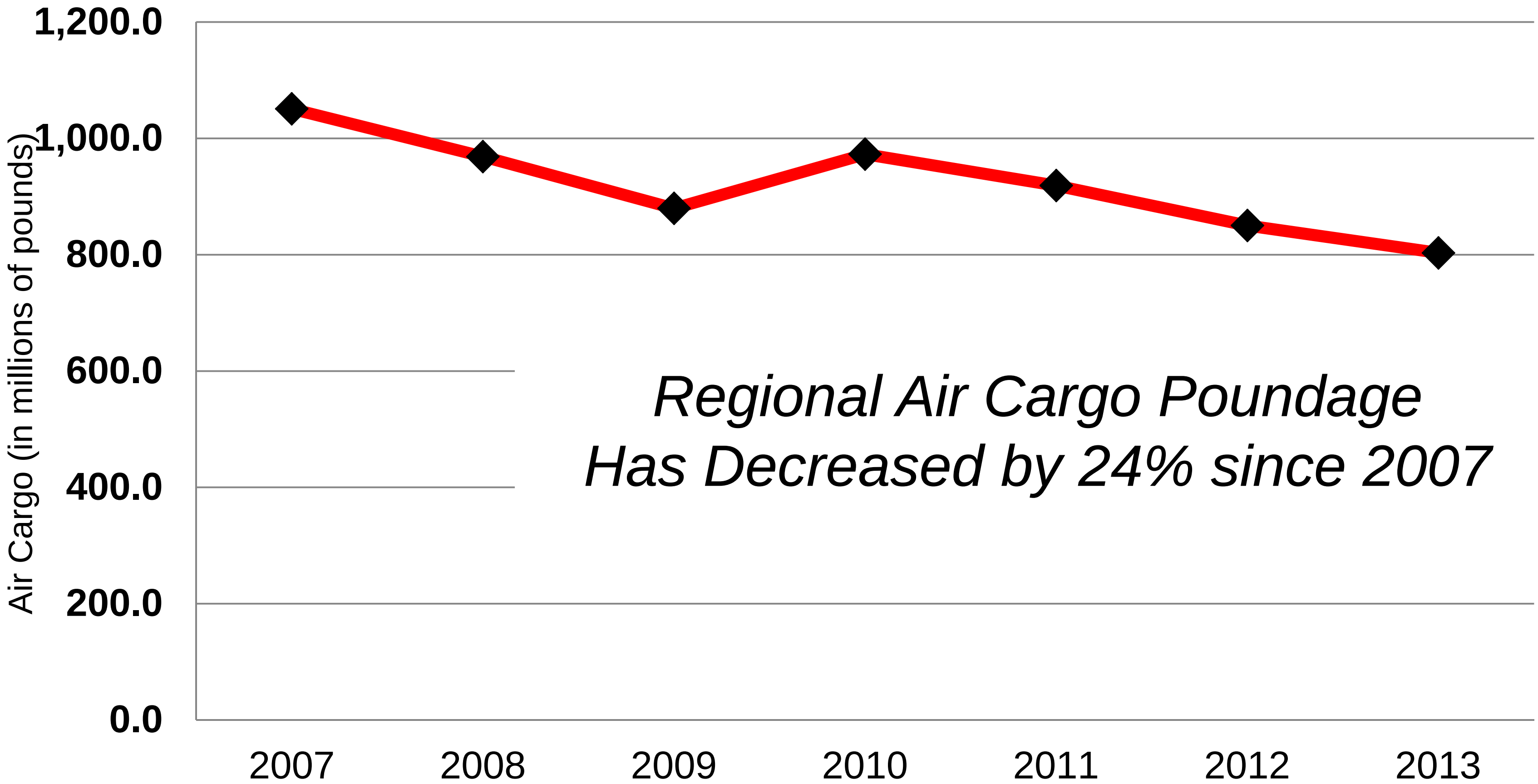
2011 Airport Service Areas by AAZ



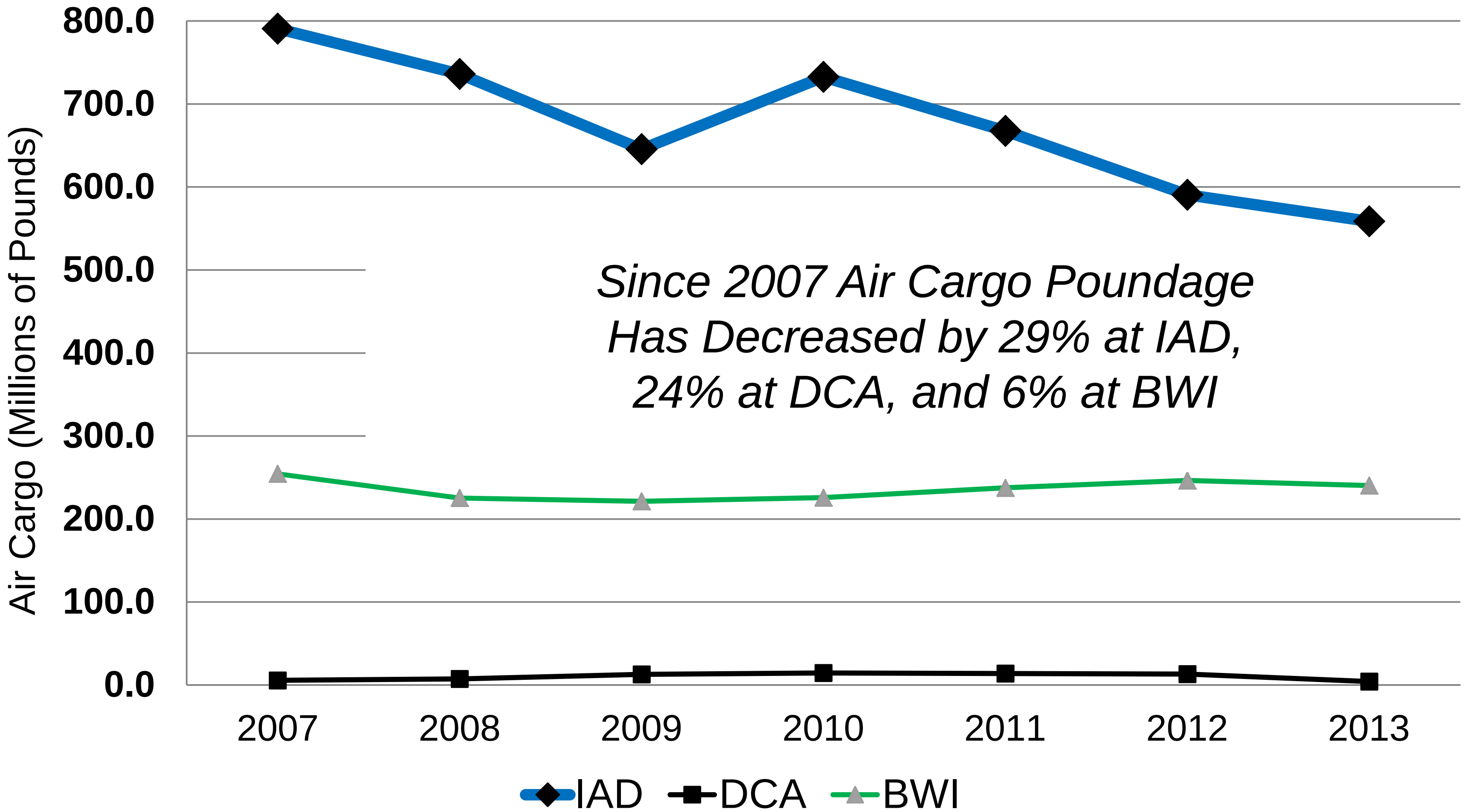
2013 Airport Service Areas by AAZ

- ICC (MD 200) improves access to BWI for Montgomery County west of I-270
- Expansion of DCA service area along I-95 corridor

Regional Air Cargo Trends (2007 – 2013)



Regional Air Cargo Trends (2007 – 2013) by Airport



Air Cargo Forecasts

- Industry forecasts show between 2% and 8% annual growth in air cargo for the next two decades
  - Asian markets forecast for most growth
- Currently, growth in air cargo is slow, and load factors are low
- Update of the Air Cargo Element of the Regional Airport System Plan (just begun) will examine the forecasts in greater detail

Our Region's Airports: Challenges and Opportunities

1. Impact of Federal government reductions
2. Capacity limits at DCA
3. New service from Low Cost Carriers into DCA and IAD
4. Air cargo growth initiatives at IAD
5. ICC (MD 200) improves access for BWI
6. Weekend MARC service improves access for BWI
7. Silver Line improves access for IAD
8. IAD Western Access

Our Airports' Importance to Our Region's Economy

Economic Impact of BWI

- $5.6B in business revenue
- $3.6B in personal income
- $2.0B in local purchases
- $721M in state/local/aviation taxes
- 93,791 jobs

Economic Impact of DCA+IAD

- $19.8B in business revenue
- $14.6B labor income
- $3.1B in state/local/aviation taxes
- 371,000 total jobs

Sources: The Regional and Local Economic Impacts of the Baltimore/Washington Thurgood Marshall Airport, July 2011; MWAA 2012 Economic Impact Study, May 2014

Summary

- Regional air passenger enplanements have been flat since 2005, but traffic has been shifting between BWI, DCA, and IAD
- Regional air cargo volumes have been decreasing since 2007 but are showing signs of improvement
- Forecasts indicate future regional growth in both air passengers and air cargo
- Maintaining and improving our airports and ground access connections to our airports is crucial to the region's future economic growth and prosperity
- The impact of future reductions in the Federal workforce is the biggest challenge to air passenger growth

Thank you for your interest and time