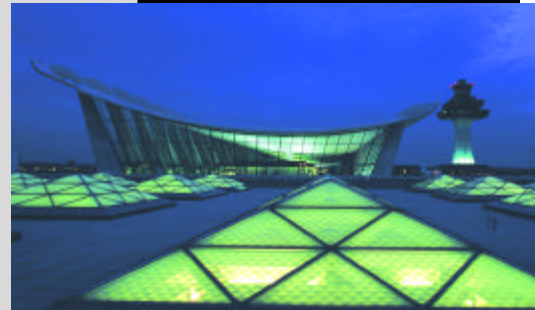


RONALD REAGAN WASHINGTON NATIONAL AIRPORT

2002 COMPETITION PLAN



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2002 COMPETITION PLAN

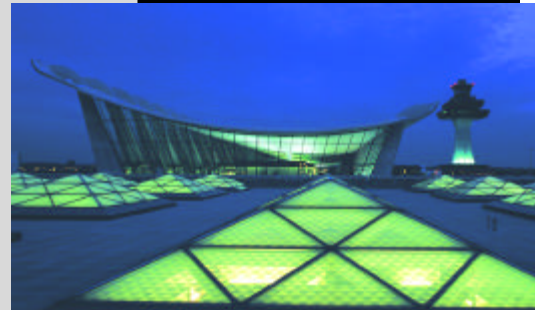


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I. INTRODUCTION

I. INTRODUCTION

The 2002 Competition Plan (Plan) is submitted by the Metropolitan Washington Airports Authority (Authority) for Ronald Reagan Washington National Airport (National) in compliance with Section 47106 and Section 40117 of Title 49 United States (U.S.) Code as amended by Section 155 of Public Law 106-181.

The Authority operates Ronald Reagan Washington National Airport and Washington Dulles International Airport (Dulles) (Airports) under an 80-year lease with the U.S. Department of Transportation (DOT). Under our lease, the Authority has assumed responsibility for the National Master Plan, which was developed by the Federal Aviation Administration (FAA) prior to the 1987 transfer of the Airports to the Authority. The Authority has been aggressively pursuing the implementation of the National Master Plan so that the Airport may continue as an air transportation center for the Nation's Capital.

In 2002, close to thirteen (13) million (12,881,6601) passengers used the Airport and there were 215,691 aircraft operations. Traffic peaked in 2000/2001 with 16 million passengers. Twelve (12) air carriers and their regional partners provided direct service to 63 communities throughout the U.S., Canada and the Caribbean.

Operations at National are regulated by 14 Code of Federal Regulations (14 CFR) 93.123 "High Density Traffic Airports." Referred to as the "Slot Rule," National is restricted to 37 operations (landings or take offs) per hour of air carrier aircraft excluding commuter aircraft which are allotted 11 operations per hour under 93.123. Scheduled commuter aircraft are defined as "turbo jet aircraft with a certified maximum passenger seating capacity of less than 56." There are no slots assigned in the hours between 2200 and 0659. Further, 14 CFR 93.253 "Nonstop Operations" limit National's flight activity to airports that are located "no more than 1,250 miles away from" National. These federal regulations limit the activity at the Airport and can have an affect on competition at National.

In 2000, Congress authorized more flight activity for National by adding another 24 slots under the Wendell H. Ford Aviation Investment and Perform Act for the 21st Century (AIR 21). Twelve of these slots fall within the defined 1,250-mile perimeter. The remaining 12 slots are limited only by aircraft performance. The 24 slots under AIR 21 are treated separately from 14 CFR 93.123 and are specifically used to promote competition.

New or incumbent carriers authorized by the DOT to provide service at National have never been denied gate or ticket counter accommodations. Several institutionalized practices will continue to ensure the availability of space to support authorized air service. These are:

Contractual Arrangements

The Authority Use Agreement is designed to provide flexibility and control. This Plan provides, at the outset, an overview of the Use Agreement, which will allow the reader to acquire a general understanding of the Airport/airline relationship. Also, by describing the

Use Agreement, much of the statutorily required content of the Plan will be addressed. The Use Agreement addresses “the availability of Airport gates and related facilities, leasing and subleasing arrangements, gate use requirements, gate assignment policy, financial constraints and Airport controls over air and ground-side capacity,” Section 47106(f)(2). The Use Agreement is pro-competitive. Even in the context of a long-term lease with the carriers, the Authority has retained control of accommodation and utilization.

Master Planning

National occupies 773 usable acres and is inhibited in growth by a combination of natural, economic, and historic preservation issues. The Master Plan defines the number of air carrier gates as 44. In 1997, 35 new gates were opened replacing a mix of outdated facilities. The Master Plan identifies rehabilitation of nine (9) remaining gates and the original Main Terminal as the remaining components.

Financial Strength and Capacity

From the strength of its market and through effective management, the Authority has achieved a credit rating for its debt that is among the highest in the nation. That outstanding rating combined with the Authority’s financial capability has enabled us to move forward and implement capital improvements and air service programs. The Authority is committed to air service development and marketing programs to aggressively foster air service, competition and growth.

This Plan will go into detail in each of these areas in the course of addressing the content required by the statute.

**II. BACKGROUND:
USE AGREEMENT AND PREMISES
LEASE**

II. BACKGROUND: USE AGREEMENT AND PREMISES LEASE

In 1990, the Authority entered into a 25-year agreement with the carriers that governs their use and lease of premises at Dulles and National. The Use Agreement governs the relationship between the airlines that choose to sign it (Signatory Airlines) and the Authority. The Use Agreement also provides a point of reference for the Authority's handling of non-tenant airline requests. It is the vehicle by which premises are leased and prescribes the rates and charges structure for Signatories and provides agreement on specific capital improvements. It emphasizes the obligation for the Signatory Airline to accommodate both tenant and non-tenant airlines that need premises and provides a significant degree of control to the Authority over these premises in the context of a long-term lease.

Conditions for Preferential Lease Space

Preferential leased space is available only to airlines choosing to sign the Use Agreement establishing these airlines as Signatory Airlines. Non-signatory airlines must sublease space or be handled by a Signatory Airline (subject to Authority approval). Signatory status is available to all airlines providing scheduled service. The 12 carriers and the majority of the regional partners serving National in 2002 are Signatory to the Use Agreement.

Signatory Airline status provides the benefits of lower fees, sharing the Authority revenue generated at the Airport, and the right to lease space, as well as the commitment to lease space for the long-term duration of the Use Agreement and pay rent to guarantee coverage of the Authority's bond obligations. Non-signatory airlines pay higher landing fees, and also pay a \$0.03 per gallon fuel charge and an 8 percent concession fee on ground handling service charges. On the other hand, non-signatory airlines do not pay the common use area fees that are applicable to Signatory Airlines nor do they have a long-term leasehold commitment. The cost differential varies depending on the rate computations, type of operation, size of aircraft, and other factors, but in general, non-signatory airline fees are 25 percent higher than comparable Signatory Airline fees.

Preferential Leasing

Gate areas, aircraft parking positions, loading bridges and passenger holdrooms are leased on a preferential basis (there are no exclusive use or common use gates). Ticket counters are leased on an exclusive basis because of the use of proprietary computer equipment and outbound baggage systems. However, all premises, ticket counters and gates are subject to accommodation provisions. There is not a minimum usage requirement such as a set number of operations a day. The Signatory Airline that leases gate space has preferential use of that space for its scheduled operations.

Reallocation of Premises and Accommodation Provisions

Although the premises are leased on a long-term basis, the Authority has reserved the right to reallocate premises every three (3) years among the Signatories based on usage and need. The procedure for reallocation is set out in the Use Agreement (Article 17). This is a very important tool that the Authority has used to adjust its lease to transfer premises from an airline that no longer needs the space to another airline (existing tenant or new entrant) that serves the needs of the airlines and the Airport.

The Use Agreement provides that the benefitting airline will pay relocation, consolidation and unamortized fixed costs to the airline losing premises. This cost would be borne by both a new entrant or an existing airline benefitting from space reallocations. A new entrant airline would ordinarily have to make a capital investment to improve unoccupied shell condition premises, if available, and the relocation expenses to acquire finished spaces are not burdensome.

The Authority does not have information on the exact airline costs incurred in these relocations, but the costs are not significant when compared to total costs to the airline of providing service to the Airport. Airlines involved in the reallocation of space have never declined to accept the space offered by the Authority due to cost or any other reason. (See Section III Gates: Inventory, Utilization and Usage Policies).

In addition to the scheduled three (3)-year reallocation provisions for the preferential leased space, the accommodation provision of the Use Agreement, Section 17.05, allows the Authority to force accommodation of an airline tenant, non-tenant or new entrant in need of gates on unused gate capacity. If an airline requests preferential leased space at any time between the three (3)-year reallocation opportunity intervals, the accommodation provision of the Use Agreement could allow the airline to obtain a gate. The Use Agreement provides that, at any time, if there is not a schedule conflict, the Authority can grant another airline (tenant, new entrant or non-tenant) immediate access to the gate upon notice to the airline with preferential use. The airlines' preference remains in effect except for the period beginning 45 minutes before a scheduled operation (120 minutes for a wide-body aircraft) of the accommodated airline and ending 15 minutes after the scheduled operation. That carrier is subject to the scheduling changes of the carrier with a preferential lease. The Use Agreement also provides a process by which the Authority can require the preferential airline to accommodate another airline tenant or non-tenant on its ticket counter. In addition, should an accommodated airline continue to use a gate under sublease or accommodation, this Use Agreement would provide for reallocating the preferentially leased space to the accommodated airline at the next reallocation opportunity.

The policies for a determination of an accommodation request are enunciated in paragraphs 17.05.1 and 17.05.2 of the Use Agreement. The Authority first considers accommodating the Signatory Airline with premises leased directly from the Authority. If a direct lease is not available or not an appropriate solution and a voluntary arrangement has not occurred, the Authority will compare the Signatory Airline's planned flight schedule with the schedules of tenant airlines on preferential-use gates to identify possible accommodations. The Authority does not disturb a Signatory Airline's preferential use of a gate. Thus, if there are blocks of time on a gate and the schedules mesh, the accommodation can be required if it is otherwise appropriate. In selecting from among several gates, operational concerns and business arrangements such as code sharing agreements or ground handling contracts may also be considered by the Authority in designating an accommodation.

Requests for accommodations are acted upon promptly, at the direction of the Airport Manager. As a practical matter, such requests can take several weeks to resolve in a manner that works best for the Signatory Airline and a tenant. The Use Agreement specifies no time limit for accommodation on preferential premises.

The Use Agreement provides for the Authority to direct the accommodation and set the terms thereof other than rates and charges for service provided by the accommodating airline. Subleasing fees are limited to 115 percent of the accommodating carrier's rental to the Authority. The Use Agreement does not provide for formal dispute resolution procedures.

Passenger Facility Charge (PFC) Financed Facilities

The Authority's Use Agreement has been in effect since 1990, prior to the establishment of the Passenger Facility Charge (PFC) Program. The Use Agreement's provisions for gate facilities to be leased on a preferential basis, is associated with the use of revenue bond financing. However, the Use Agreement anticipates the Authority could implement gate usage arrangements on other than a preferential lease basis if the gate facilities are financed with PFC revenues.

There are no gates at National Airport that are solely PFC-financed. All National gates are leased on a long-term preferential lease basis. There have been no instances in which the PFC Competitive Assurance #7 operated to convert previously exclusive use gates to preferential-use gates.

Rates and Charges

The Use Agreement is compensatory in nature but has certain residual features and may, therefore, be considered a hybrid. Direct cost centers are those which generate revenue. Expenses in indirect cost centers are allocated to direct cost centers for cost accounting and revenue generation. The Signatory Airlines support specific cost centers: airfield, terminal and equipment (e.g., loading bridges, baggage conveyors and devices) cost centers. The Signatory Airlines agree to pay fees that allow the Authority to recover the total cost requirement of the airline-supported cost centers. The fees are established biannually and are based on projected activity and costs.

Capital Improvements and Majority-In-Interest (MII)

Capital improvements are addressed in the Use Agreement. In 1990, the airlines committed to a defined Capital Development Program (CDP) at Dulles and National. The principle component at National was the construction of a new North Terminal incorporating all components of airline passenger accommodations including ticket counters, baggage systems and boarding gates.

While these improvements were defined in the Use Agreement in 1990, the Use Agreement reflects the reality that in the course of the 25-year term there will be many other projects, including projects in the airline supported cost centers. Airline approvals are not required for any additional projects that are not in the airline-supported cost centers (e.g., parking and roadway improvements). Also, the airlines have agreed to additional projects in the airline-supported areas, if they fall into specified categories such as projects for safety or restoration of capacity. At this time, after the first 10 years of the contract, the Authority can proceed with any project in the airline-supported areas. If the project is debt-financed for more than \$25,000,000 and a Majority-In-Interest (MII) of the Signatory Airlines votes against the project, the Authority is required to defer the project for one (1) year after which it may proceed. This is the only contractual restriction on the Authority's ability to proceed with projects to enhance capacity at National. These restrictions may be reconsidered if the Authority has an appropriate opportunity to modify the Agreement.

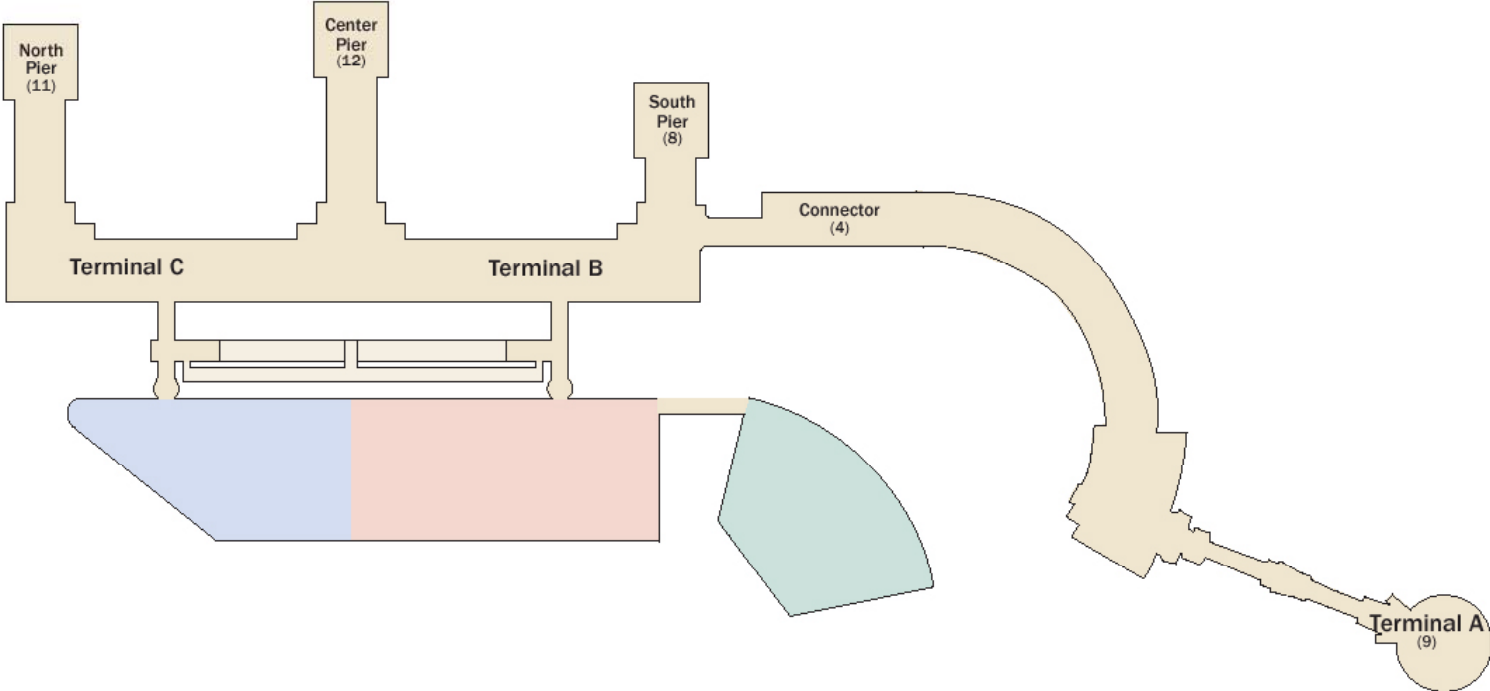
The Authority is of the view that MII provisions in contracts should not be allowed to prevent beneficial projects from proceeding. In the Use Agreement, the Authority and its Signatory Airlines negotiated a business agreement, which provides the parties with the financial security of leases and provides the Authority the ability to finance large new projects and distribute the costs to tenants. There are numerous types of projects that the Authority can proceed to implement without any airline approvals or delays. For certain other projects, because of the

rates and charges impacts, the Authority agreed to seek MII approval before proceeding. But, because the Authority is ultimately in charge of, and accountable for, the operation of its Airports, the Authority preserved the right to proceed with a project even if the MII of airlines votes against the project. The only caveat is the one (1)-year delay designed to allow the airlines and the Airport to resolve differences over the project. While that may be viewed as some leverage for the airlines, in the context of multimillion-dollar projects, which the tenants pay for over a long period of time, the Airport ultimately has the decisive position. This is not an MII provision that is likely to be used to defeat a project. Rather it is one that is likely to bring the Airport and the airlines together to negotiate an approach to the project that works for both parties. In practice, the one (1)-year delay provision has not been invoked and the MII provisions have not thwarted Airport improvement objectives.

In summary, the Use Agreement is a pro-competitive agreement that gives the Signatory Airlines the stability of long-term leases while allowing the Airport the ability to control the Airport premises, accommodate new or expanding carriers, adjust leases to changes in circumstances and undertake major capital improvements to the airfield and terminals at National Airport.

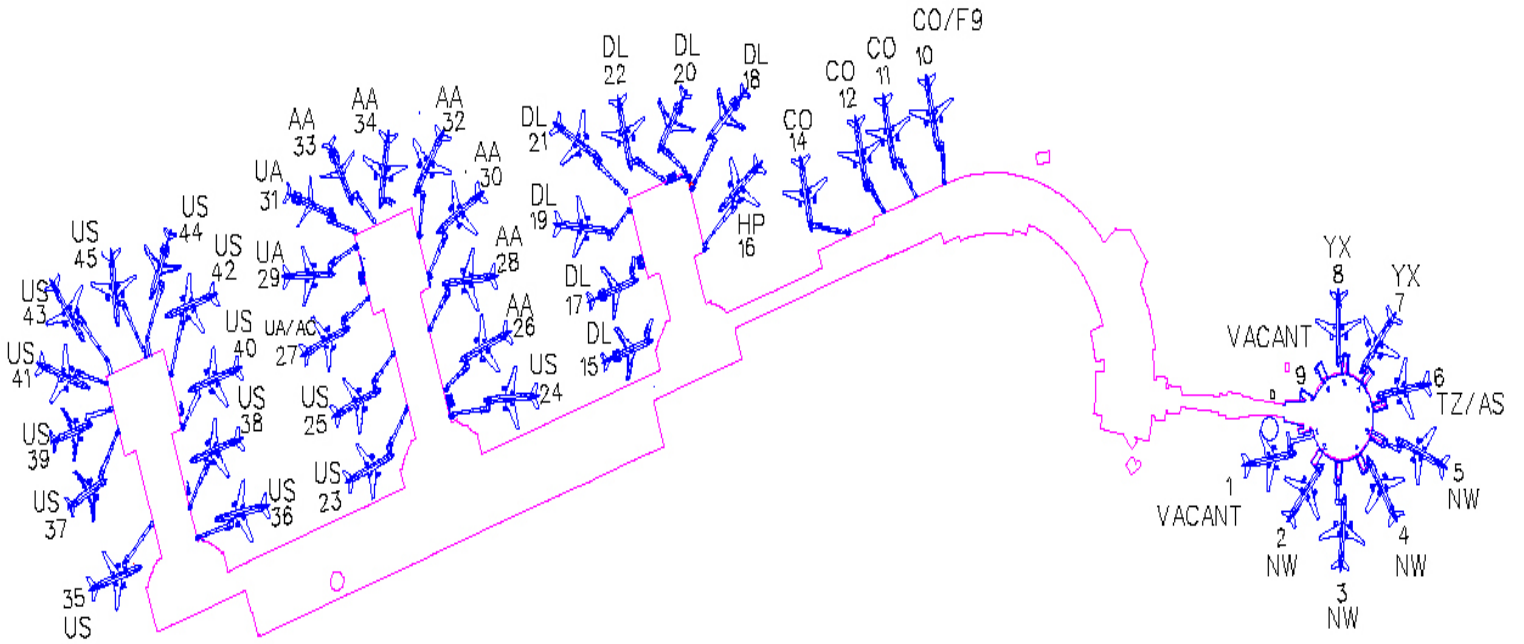
III. GATES: INVENTORY, UTILIZATION AND USAGE POLICIES

RONALD REAGAN WASHINGTON NATIONAL AIRPORT DIAGRAM OF AIRPORT CONCOURSES



RONALD REAGAN WASHINGTON NATIONAL AIRPORT

GATE LAYOUT



Ronald Reagan Washington National Airport

December 31, 2002

Gate Inventory

PREFERENTIAL LEASE
AIR CARRIER

NUMBER OF GATES

Terminal A

Alaska Airlines	0 (<i>Alaska Airlines operates at the ATA gate</i>)
ATA	1
Midwest Express Airlines	2 (<i>One (1) of the two (2) vacant gates is under lease to Midway Airlines, which is in bankruptcy and has ceased scheduled operations</i>)
Northwest Airlines	4
Vacant	2 (<i>includes operations of Skyways</i>)

Terminals B, C & Connector

Continental Airlines	4 (<i>includes operations of Continental Express</i>)
Frontier Airlines	0 (<i>Frontier Airlines operates at a Continental Airlines gate</i>)

South Pier

America West Airlines	1 (<i>includes operations of America West Express</i>)
Delta Air Lines	5 (<i>includes operations of Delta Connection</i>)
Delta Shuttle	2

Center Pier

American Airlines	6 (<i>includes operations of American Eagle</i>)
Air Canada	0 (<i>Air Canada subleases a gate from United Air Lines</i>)

United Air Lines	3
US Airways	3

North Pier

US Airways	9 (<i>includes operations of US Airways Express (Gate 35)</i>)
US Airways Shuttle	2

**TOTAL PREFERENTIAL
LEASED GATES**

44

Ronald Reagan Washington National Airport
December 31, 2002
Gate Utilization

<u>PREFERENTIAL LEASE GATES</u>	<u>DAILY DEPARTURES</u>	<u>GATES</u>
ATA/Alaska Airlines	4	1
American Airlines/American Eagle	63	6
America West Airlines	6	1
Continental Airlines/Frontier Airlines	23	4
Delta Air Lines/Delta Express	53	5
Delta Shuttle (New York Only)	16	2
Midwest Express Airlines/Skyways	11	2
Northwest Airlines	19	4
United Air Lines/ Air Canada	23	3
US Airways/US Airways Express	146	12
US Airways Shuttle (New York Only)	16	2
Vacant	0	2
TOTAL DAILY DEPARTURES FROM PREFERENTIAL LEASED GATES	380	
TOTAL PREFERENTIAL LEASED GATES	44	
TOTAL GATES	44	

III. GATES: INVENTORY, UTILIZATION AND USAGE POLICIES

Number of Gates Available

As stipulated in the Use Agreement, National has 44 jet gates. These gates are leased on a preferential basis to the Signatory air carriers. In some instances, gates are shared under sublease agreements. The Authority monitors the use of Airport facilities from published airline schedules, information from the airline station managers and from the Airport management's own observations. The Authority is evaluating software systems that would enable the monitoring and recording of gate usage to be automated.

Accommodation of Service

Pursuant to the terms of the Use Agreement, Article 17, Section 17.02, Periodic Reallocation of Premises, an analysis of gate and premises usage is performed every three (3) years. This is accomplished through a utilization study conducted by the Authority. Every effort is made to involve the airlines in the reallocation process, minimize disruption to operations and to preserve the operational integrity of an airline's premises. Airline property representatives and local station managers are made aware in writing of the reallocation process. Communications on space needs are limited to air carriers permitted to service National through the slot allocation administered by DOT. The Authority is not aware of any situation where an air carrier authorized to service National was unable to obtain premises due to a lack of awareness or notice. If an airline requests facilities any time between the three (3)-year reallocation opportunity, the accommodation provisions specified in Article 17 of the Use Agreement could allow the airline to access the use of a gate. The Use Agreement, Article 17, provides that the following factors, as they pertain to National, be considered in allocating leased premises:

- *Each Signatory Airline's historical, current and reasonably projected frequency of operations.*
- *Each Signatory Airline's historical number of enplaning and deplaning passengers.*
- *Each Signatory Airline's number of current gate assignments.*
- *Each Signatory Airline's linear feet of ticket counter and area of holdroom space and other premises.*
- *The need to provide premises and equipment to a Signatory Airline which is without adequate premises and equipment leased directly from the Authority due to the unavailability of such space.*
- *The practicality of the Authority constructing additional premises within a reasonable period of time.*
- *The need for the Authority to manage aircraft and passenger activity at the Airport in order to correct an imbalanced use of Airport facilities, including Aircraft parking positions, or to minimize or ameliorate congestion in the Terminal or at the curbside.*

The most recent analysis under the Use Agreement for National Airport gates was performed in 2002. On July 29, 2002, notification was sent to the carriers requesting their schedule of operations for a two (2)-week period, and the type of equipment used in each operation. The carriers were also requested to indicate whether they had adequate space to accommodate their operations including gates and ticketing positions. As a result of the information received from the airlines, a comprehensive analysis was performed and a decision letter (Attachment) was mailed to the airlines (Attachment A). The Authority did not receive any statements of concern from the air carriers and the July 29, 2002 decision was implemented.

Article 17 of the Use Agreement and Premises Lease (Use Agreement) entitled, “Availability of Adequate Facilities”, details the procedures for a Signatory Airline (including non-tenant) to obtain an accommodation on preferential-use gate. Specifically, Section 17.05.1 states, “In the event the Authority receives a request from a Signatory Airline for a type of space leased on a preferential basis to others, the Authority shall make a determination as to how the Signatory Airline will be accommodated. Promptly thereafter, the Authority shall notify the airline of any planned accommodation on the airline’s preferential-use premises; provided, however, the Authority has determined that the Signatory Airline’s schedule is compatible with the airline’s priority use, as described in paragraph 17.05.2 and would not require the airline to reschedule an existing arrival or departure. The airline shall, consistent with its right of priority use, as described in paragraph 17.05.2, accommodate such Signatory Airline, as directed by the Authority by providing access to and use of its preferential-use premises.”

It should be noted that “forced” accommodation has not been required. It has been customary for new entrants to become a Signatory and lease space directly from the Authority or to arrange use of a preferential gate through their own discussions with tenant airlines or with assistance from the Authority. The Authority’s Use Agreement served flawlessly at National Airport when Congress passed the AIR 21 legislation, and accommodation was provided for four (4) airlines previously without a presence at the Airport. Without invoking any specific provisions of the Use Agreement, all new entrant carriers were accommodated in acceptable facilities and, in a timely manner. Frontier, Spirit, Alaska and National Airlines were melded into the available facilities sharing gates and ticket counters with Continental, American, American Trans Air and Northwest.

Use/Share Policies and Subleasing Arrangements

The Authority’s gate assignment policies provide significant flexibility in responding to the needs of an incumbent carrier’s expansion plans or a new entrant carrier to National. Upon receiving a request for gate facilities, the Authority assists the Signatory Airline in identifying all unused capacity in the portfolio of 44 gates. Article 17 of the Use Agreement specifies the procedures used by the Authority to provide adequate facilities to all airlines operating at the Airport. The Authority has the right to reallocate space among airlines and to request a carrier accommodate another carrier on the leased space.

Article 16 of the Use Agreement, addresses subleasing arrangements. Availability of facilities is communicated to all airlines at the monthly National Airline Management Council Meeting and by the minutes of those meetings that are sent to all airlines operating at the Airport. Further, the airlines will let the Airport know when they are interested in additional premises and the Airport will contact them when such premises become available. In addition, if an airline approaches the

Airport concerning availability of facilities, and the Airport is aware of a situation that may be feasible, the Airport may act as liaison between the two (2) parties to form an agreement.

The Signatory Airline petitions the Authority for accommodation through a written request or direct meeting. The Authority uses its knowledge of existing airline operations and schedules to identify appropriate air carriers to approach, on behalf of the Signatory Airline. The Authority will contact local and corporate personnel of the potential accommodating airline directly on behalf of the Signatory Airline to discuss merits, impacts, alternatives, and a possible resolution. The Authority may request particular air carriers to follow up directly with the Signatory Airline and will ask the Signatory Airline to keep the Authority informed of these communications. Historically, these practices are effective and were most clearly evident when the Authority needed to implement the requirements of AIR 21 permitting four (4) air carriers to initiate new service at National Airport. Without invoking any forced accommodation provisions of the Use Agreement, all new entrant carriers were accommodated in acceptable facilities and in a timely manner. The Authority is not aware of any access complaints in the past 12 months.

Pursuant to the provisions of the Use Agreement Article 19.08, no Signatory Airline shall be treated more favorably than any other Signatory Airline. Accordingly, there are no differences in gate use requirements among tenants.

Airline Sublease Agreements **December 31, 2002**

The following airlines have sublease agreements:

- ATA subleases ticketing and gate facilities to Alaska Airlines.
- Continental Airlines subleases ticketing and gate facilities to Frontier Airlines.
- Midwest Express Airlines subleases ticketing facilities to ATA, and Alaska Airlines.
- United Air Lines subleases gate facilities to Air Canada.
- Northwest Airlines subleases baggage-handling equipment to Alaska Airlines, ATA, and Midwest Express Airlines.

RON (REMAIN OVERNIGHT) Aircraft Parking

Airlines are able to use their assigned gates for Remain Overnight (RON) activity. In addition, US Airways uses their regional aircraft operations area. Additionally, there are designated areas south of the Terminals for use by RONS. Airport Operations approves parking in these areas, and they are generally assigned on a first come, first served basis. Since National is slot-controlled and has nighttime noise restrictions, the Airport does not tend to have problems accommodating RONS.

Ground Handling Arrangements

Tenant airlines and independent contractors provide the airlines at National an option for ground handling services. National currently has five (5) companies located on the Airport providing such services. The facilities and space available on the Airport for the contractors of these support services is limited. The Authority requires service providers to first have established

contracts in place with the tenant airlines before offering them Airport facilities and space from which to conduct an on-Airport business.

Ground Handling Services Companies

The following companies currently hold Commercial Aviation Services Permits issued by the Authority, providing for the right to provide ground handling aviation services to the airlines operating at the Airport:

- Allied Aviation Services
- Aircraft Services International Group
- Argenbright Aircraft Services
- ServiceMaster
- Worldwide Flight Services

For the most part, all recent new entrant airlines at National have had some pre-existing knowledge of the Airport developed from existing code share or alliance airline partners, ground handling companies or airlines with whom they have done business in other cities, or professional experience contacts. This knowledge is valuable to airlines operating in a competitive business environment, because it allows them to make decisions in a new city using information from many sources, including the Airport management representatives.

Airlines may self-handle, receive ground handling services from another airline or an Authority permitted ground handling company, or they may sponsor their own selection of a qualified ground handler onto the Airport. Airlines operating from another airline's preferential leased gates may be more limited in their ground handling options, but the Authority has not been faced with any requests for intervention in these hypothetical cases.

Airport Competitive Access Liaison

The Airline Relations Manager, a corporate staff position, in the Office of Business Administration serves as Airport Competitive Liaison.

IV. PATTERNS OF AIR SERVICE

IV. Patterns of Air Service

National Airport faces several uncommon physical and institutional constraints. Its physical configuration, slot controls, nighttime noise restrictions and the 1,250-mile perimeter rule limit the airlines' ability to offer new service innovations. Dulles, however, offers the airline industry an enormous quantity of efficient, unrestricted and attractively priced capacity at a convenient location. Dulles is more than capable, both now and in the future, to meet the growing needs of the region. Developing Dulles' infrastructure and air services to their fullest potential remains a key Authority objective.

In November 2002, National had nonstop services to 63 communities. All but four (4) of these destinations (Bermuda, Nassau, Montreal and Toronto) were within the United States. The average daily frequency per community served was 5.7 flights in each direction. Exhibit A lists the destinations, carriers and capacities offered. A further ten (10) destinations (Anchorage, Austin, Birmingham, Cancun, Los Angeles, Oklahoma City, Rochester MN, San Diego, San Francisco and San Jose) had direct services to National via one (1) or more intermediate points, with at least five (5) flights weekly in each direction. Since the Airport has nonstop services to most network carrier hubs, it has fast, one-stop, online connections to most points in the United States.

National has nonstop services to three (3) small communities¹; Burlington, VT; Portland, ME; and Salisbury, MD. The Airport is not a major connecting hub, and only those destinations with sufficient point-to-point traffic can sustain nonstop services. This greatly limits opportunities for services to small communities from National. It forces many small communities to rely either on nonstop services to the United hub at Dulles, or one-stop services through other hubs to National.

Two (2) low fare carriers serve National: American Trans Air to Chicago-Midway and Frontier to Denver. Since the summer of 2001, the Airport has lost the services of National Airlines (to Las Vegas), Spirit (to Fort Lauderdale and Melbourne) and Midway (to Raleigh-Durham). While the Authority strongly encourages services by low fare airlines, the constraints at National have persuaded operators such as jetBlue to serve the Capital Region through Dulles.

Nonstop services by more than one (1) airline are available to 15 of the 63 destinations. Virtually, all United States airports have, at best, one (1) hub carrier. This means that most routes are nonstop monopolies-exceptions are hub-to-hub routes or those with point-to-point flights of low fare airlines. Furthermore, National's many hub-based services provide a wide choice of one-stop and connecting services with a wide choice of airlines.

National Airport has shared the 2001-2002 problems of the airline industry. To measure the impact of the terrorist attacks and the financial crisis in the airline industry, the Authority has chosen August 2001 and November 2002 as the months for comparison. August 2001 was chosen because it immediately preceded the attacks. The analysis has isolated the few seasonal changes to the mix of destinations and capacities.

Between August 2001 and November 2002, National Airport lost 23 services (Exhibit B). Ten (10) cities lost all nonstop services to the Airport. Two (2) of the services, to Nantucket and Martha's Vineyard, discontinued in the fall of 2002, are part of the regular seasonal cutback of

¹ A "small community" is defined as any destination not listed in Table 34, "Metropolitan Areas-Population" of the statistical Abstract of the United States.

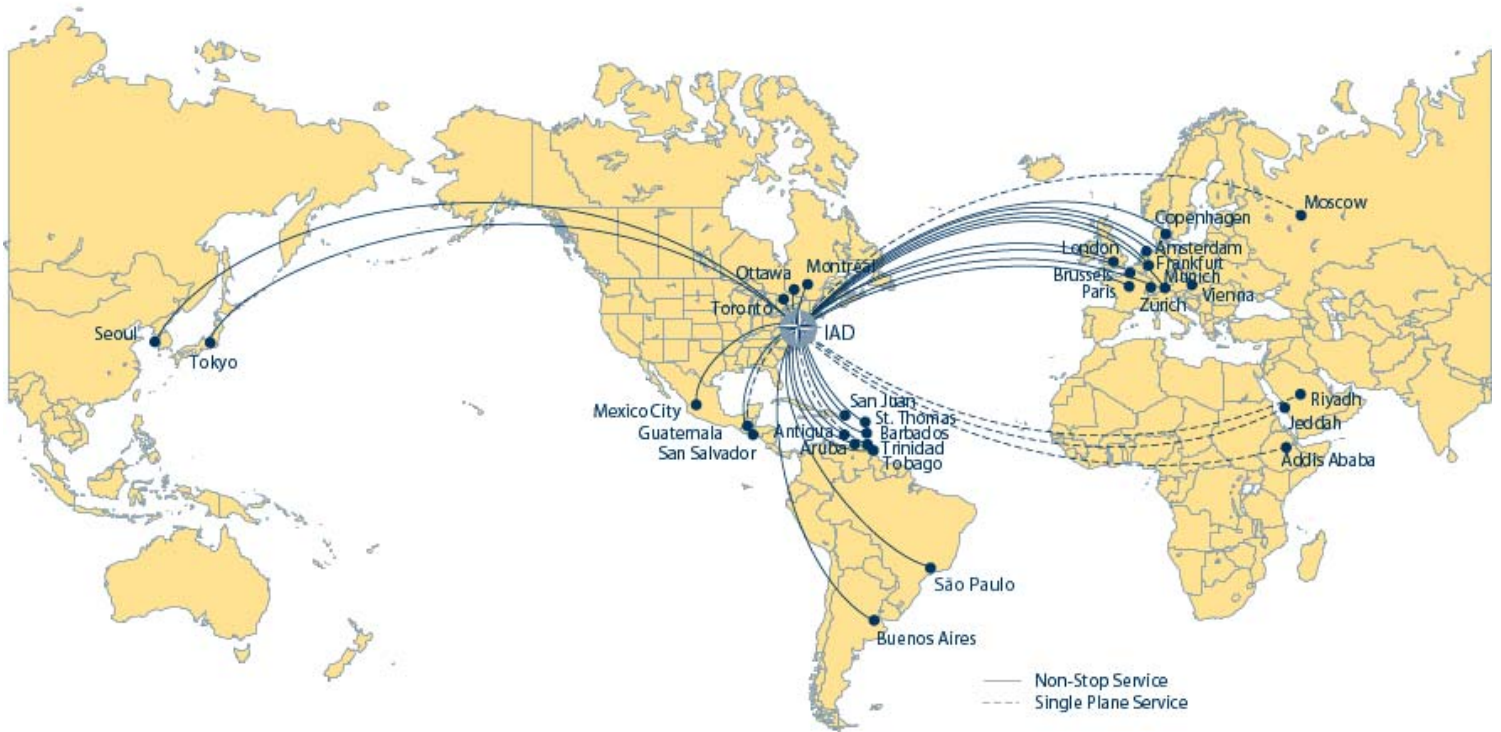
service to summer destinations. The Airport gained nine (9) new services (Exhibit C), including its only nonstop flights to Seattle. US Airways restored nonstop flights to Nassau, a route Delta had previously vacated. Exhibit D identifies traffic shares by carrier.

Exhibit E summarizes the changes in capacity. Between August 2001 and November 2002, National lost 20.7 percent of its seat capacity. This reflected a 5.6 percent decrease in flight operations and a 16 percent drop in the average aircraft capacity.

International Air Service at Dulles

Nonstop and single plane cities served to/from Dulles

Source: OAG MAX February 2003



North American Jet Air Service at National

North American cities served nonstop
by large jets to/from National

Source: OAG MAX February 2003



Regional Air Service at Dulles

US cities served nonstop by RJ and turboprops to/from Dulles

Source: OAG MAX February 2003



Regional Air Service at National

North American cities served nonstop
by RJ and turboprops to/from National

Source: OAG MAX February 2003



Ronald Reagan Washington National Airport
Comparison of Weekly Nonstop Flights and Seat Capacity
November 2002 Versus August 2001

Airline	Destination	August 2001				November 2002			
		Inbound		Outbound		Inbound		Outbound	
		Flights	Seats	Flights	Seats	Flights	Seats	Flights	Seats
US Airways	Albany	21	2,646	21	2,646	26	962	26	962
US Airways	Allentown	12	444	6	222	0	0	0	0
Delta	Atlanta	123	18,942	129	19,849	111	14,550	118	15,628
US Airways	Atlanta	31	1,550	30	1,500	0	0	0	0
US Airways	Baltimore	5	185	11	407	0	0	0	0
US Airways	Bermuda	0	0	0	0	1	120	1	120
US Airways	Birmingham	6	300	7	350	0	0	0	0
American	Boston	39	3,393	39	3,393	47	1,739	46	1,702
Delta	Boston	61	10,980	61	10,980	49	2,450	49	2,450
US Airways	Boston	100	12,066	100	12,066	91	11,404	91	11,426
US Airways	Buffalo	21	2,646	21	2,646	19	703	19	703
US Airways	Burlington	15	750	15	750	20	580	20	580
Delta	Charleston	0	0	0	0	14	700	14	700
US Airways	Charleston	21	1,582	21	1,582	26	810	26	810
US Airways	Charleston	18	666	17	629	19	703	19	703
US Airways	Charlotte	79	9,748	82	9,528	62	8,437	56	8,039
AmericanTrans Air	Chicago Midway	20	4,320	20	4,320	19	3,325	19	3,325
American	Chicago O'Hare	68	5,916	68	5,916	74	6,438	74	6,438
United	Chicago O'Hare	104	13,428	104	13,169	91	12,076	91	12,076
Delta	Cincinnati	35	5,824	28	4,774	63	6,734	56	5,656
Continental	Cleveland	31	3,308	31	3,206	25	2,138	25	2,138
US Airways	Columbia	19	950	19	950	25	877	26	906
America West	Columbus	21	2,268	21	2,450	20	1,000	20	1,000
American	Columbus	27	999	27	999	0	0	0	0
Delta	Columbus	0	0	0	0	21	1,050	21	1,050
US Airways	Columbus	24	1,200	31	1,550	37	1,707	37	1,707
American	Dallas/Fort Worth	69	9,888	69	9,951	59	7,893	59	7,893
Delta	Dallas/Fort Worth	21	3,192	21	3,192	21	3,150	21	3,150
US Airways	Dayton	18	1,280	19	1,406	26	754	26	901
Frontier	Denver	7	952	7	952	7	952	7	952
Midwest Express	Des Moines	6	360	7	770	6	504	7	588
Northwest	Detroit	62	8,318	62	7,891	61	8,366	61	7,475
Delta	Fort Lauderdale	14	1,610	14	1,610	7	350	7	350
Spirit	Fort Lauderdale	7	1,148	7	1,148	0	0	0	0
US Airways	Fort Lauderdale	14	1,764	14	1,764	14	1,834	14	1,848
Midwest Express	Grand Rapids	11	352	11	352	11	352	11	352
US Airways	Greenbrier WV	7	133	7	133	0	0	0	0
US Airways	Greensboro	26	962	26	962	30	1,110	30	1,110
US Airways	Greenville	14	518	14	518	19	551	19	551
US Airways	Hartford	27	3,402	27	3,402	27	3,048	27	3,072
Continental	Houston	54	6,515	54	6,721	56	6,444	55	6,320
Delta	Huntsville	0	0	0	0	14	700	14	700

**Exhibit A: Ronald Reagan Washington
National Airport Comparison of Carriers,
Destinations, and Capacities
November 2002 Versus August 2001**

**Ronald Reagan Washington National Airport
Comparison of Weekly Nonstop Flights and Seat Capacity
November 2002 Versus August 2001
(Cont'd)**

		August 2001				November 2002			
		Inbound		Outbound		Inbound		Outbound	
Airline	Destination	Flights	Seats	Flights	Seats	Flights	Seats	Flights	Seats
US Airways	Huntsville	23	1,150	23	1,150	17	850	17	850
US Airways	Indianapolis	24	2,347	18	2,364	20	1,000	20	1,000
Delta	Jacksonville	0	0	0	0	14	700	14	700
US Airways	Jacksonville	14	1,764	14	1,764	7	350	7	350
Midwest Express	Kansas City	12	1,020	12	720	12	1,200	12	1,200
US Airways	Kansas City	17	2,142	17	2,142	0	0	0	0
US Airways	Knoxville	12	600	18	774	19	824	18	795
America West	Las Vegas	7	1,330	7	1,330	7	1,330	7	1,330
National	Las Vegas	7	1,225	7	1,225	0	0	0	0
American	Los Angeles	7	1,260	7	1,260	0	0	0	0
US Airways	Louisville	19	950	19	950	19	551	19	551
US Airways	Manchester	14	1,764	14	1,764	20	580	20	580
US Airways	Martha's Vineyard	7	285	7	285	0	0	0	0
Spirit	Melbourne	7	1,148	7	1,148	0	0	0	0
Northwest	Memphis	27	3,891	27	3,746	27	3,660	27	3,636
American	Miami	63	8,519	63	8,456	55	7,305	55	7,305
United	Miami	7	728	7	987	0	0	0	0
Midwest Express	Milwaukee	28	2,536	27	2,426	27	2,004	26	1,920
Northwest	Minneapolis	55	7,130	55	7,702	47	6,474	47	7,389
Air Canada	Montreal	20	1,000	20	1,000	14	700	14	700
US Airways	Morgantown	13	247	13	247	0	0	0	0
US Airways	Nantucket	7	350	7	350	0	0	0	0
US Airways	Nashville	20	1,988	20	1,988	20	580	20	580
Delta	Nassau	1	154	1	154	0	0	0	0
US Airways	Nassau	0	0	0	0	7	840	7	840
US Airways	New Haven	12	444	13	481	0	0	0	0
US Airways	New Orleans	13	1,638	14	1,764	14	1,680	14	1,686
American	New York JFK	70	2,485	70	2,485	42	1,554	42	1,554
Delta	New York JFK	14	2,142	14	2,100	21	1,624	21	1,624
American	New York LGA	0	0	0	0	63	2,674	63	2,674
Delta	New York LGA	113	20,340	113	20,340	100	18,000	100	18,000
US Airways	New York LGA	108	15,182	108	15,182	96	13,038	96	13,016
Continental	Newark	62	7,530	62	7,426	57	4,022	58	4,146
US Airways	Norfolk	54	1,998	55	2,035	44	1,628	44	1,628
Midwest Express	Omaha	13	1,430	13	1,430	12	1,008	12	1,008
Delta	Orlando	0	0	0	0	14	700	14	700
US Airways	Orlando	21	2,646	21	2,646	21	2,852	21	3,020
US Airways	Philadelphia	72	5,567	58	4,714	48	4,555	49	4,578
America West	Phoenix	14	2,380	14	2,198	14	2,198	14	2,198

**Ronald Reagan Washington National Airport
Comparison of Weekly Nonstop Flights and Seat Capacity
November 2002 Versus August 2001
(Cont'd)**

Airline	Destination	August 2001				November 2002			
		Inbound		Outbound		Inbound		Outbound	
		Flights	Seats	Flights	Seats	Flights	Seats	Flights	Seats
US Airways	Pittsburgh	49	7,193	49	7,393	42	6,243	41	6,153
US Airways	Portland Me	20	1,000	20	1,000	20	580	20	580
US Airways	Providence	27	3,366	27	3,324	27	3,408	27	3,390
American	Raleigh-Durham	0	0	0	0	36	1,332	37	1,369
Midway	Raleigh-Durham	35	1,750	35	1,750	0	0	0	0
US Airways	Raleigh-Durham	44	3,099	44	3,099	39	1,443	46	1,646
US Airways	Richmond	6	174	0	0	0	0	0	0
US Airways	Roanoke	14	518	20	740	0	0	0	0
US Airways	Rochester	21	2,646	21	2,646	25	925	25	925
US Airways	Salisbury	5	185	0	0	6	222	5	185
US Airways	Savannah	1	50	1	50	0	0	0	0
Alaska	Seattle	0	0	0	0	7	840	7	840
American	St. Louis	47	6,540	47	6,540	39	5,031	39	5,031
Continental	Syracuse	1	19	1	19	0	0	0	0
US Airways	Syracuse	21	2,646	21	2,646	26	962	26	962
Delta	Tampa	0	0	0	0	7	350	7	350
US Airways	Tampa	21	2,646	21	2,646	21	2,604	21	2,562
Air Canada	Toronto	46	2,300	46	2,300	41	2,400	41	2,400
US Airways	Toronto	0	0	0	0	25	925	25	925
Delta	West Palm Beach	0	0	0	0	14	700	14	700
US Airways	West Palm Beach	21	2,646	21	2,646	14	2,016	14	2,016
Continental	White Plains	18	342	18	342	0	0	0	0
US Airways	White Plains	36	1,332	42	1,554	33	1,221	33	1,221
	TOTAL	2,668	290,267	2,667	290,082	2,518	230,194	2,518	230,194

Source: Official Airline Guide, August 2001 and November 2002

**Exhibit B: Ronald Reagan Washington
National Airport Services Discontinued
Between
August 2001 and November 2002**

**Ronald Reagan Washington National Airport
Services Discontinued Between
August 2001 and November 2002**

Destination	Airline
Allentown *	US Airways
Atlanta	US Airways
Baltimore *	US Airways
Birmingham *	US Airways
Columbus	American
Fort Lauderdale	Spirit
Lewisburg/Greenbrier WV *	US Airways
Kansas City	US Airways
Las Vegas	National
Los Angeles *	American/Trans World
Martha's Vineyard (seasonal) **	US Airways
Melbourne *	Spirit
Miami	United
Morgantown *	US Airways
Nantucket (seasonal) **	US Airways
Nassau ***	Delta
New Haven *	US Airways
Raleigh-Durham	Midway
Richmond *	US Airways
Roanoke *	US Airways
Savannah *	US Airways
Syracuse	Continental
White Plains	Continental

Source: Official Airline Guide, August 2001 and November 2002

* Denotes loss of only nonstop service to destination.

** Services to Nantucket and Martha's Vineyard operated in the summer of 2002 but were subsequently discontinued as part of the regular seasonal adjustment of schedules.

*** Nonstop service to Nassau inaugurated by US Airways in fall of 2002. This flight replaced a service operated by Delta Air Lines.

**Exhibit C: Ronald Reagan Washington
National Airport Services Inaugurated Between
August 2001 and November 2002**

**Ronald Reagan Washington National Airport
Services Inaugurated Between
August 2001 and November 2002**

Destination	Airline
Jacksonville	Delta
Nassau *	US Airways
New York LGA	American
Orlando	Delta
Raleigh-Durham	American
Seattle **	Alaska
Tampa	Delta
Toronto	US Airways
West Palm Beach	Delta

Source: Official Airline Guide, August 2001 and November 2002

- * Only service to Nassau. Delta previously served route.
- ** Only service.

**Exhibit D: Ronald Reagan Washington
National Airport Traffic Shares by Carrier
2002**

**Ronald Reagan Washington National Airport
Traffic Shares by Carrier
2002**

	Passengers	Fare	Yield	Average Distance Miles	Market Share
Alaska Airlines	63,130	\$274.45	0.113	2,425	0.54%
America West	489,540	\$205.12	0.140	1,468	4.17%
American Airlines	2,078,290	\$211.71	0.185	1,145	17.70%
American Trans Air	234,680	\$152.98	0.130	1,174	2.00%
Continental	742,490	\$238.72	0.222	1,076	6.32%
Delta	2,521,840	\$166.03	0.235	707	21.48%
Frontier	84,090	\$208.31	0.117	1,774	0.72%
Midwest Express	272,320	\$187.08	0.216	865	2.32%
Northwest	1,419,160	\$208.62	0.212	984	12.09%
United	732,780	\$195.97	0.175	1,123	6.24%
US Airways	2,828,840	\$154.04	0.265	582	24.10%
Other	273,010	\$199.75	0.259	772	2.33%
Total	11,740,170	\$200.23	0.078	1,175	100.00%

Source: United States Department of Transportation Database 1B, Year Ending December 31, 2002. Includes commuter affiliates who submit data to Origin-Destination (O-D) report.

**Exhibit E: Summary of Capacity Changes
Weekly Inbound and Outbound
August 2001 and November 2002**

Exhibit E. Summary of Capacity Changes Weekly Inbound and Outbound

Category	August 2001	November 2002	Change
Flights	5,335	5,036	-5.60%
Seats	580,349	460,388	-20.67%
Seats/Flight	109	91	-15.96%

Source: Official Airline Guide, August 2001 and November 2002

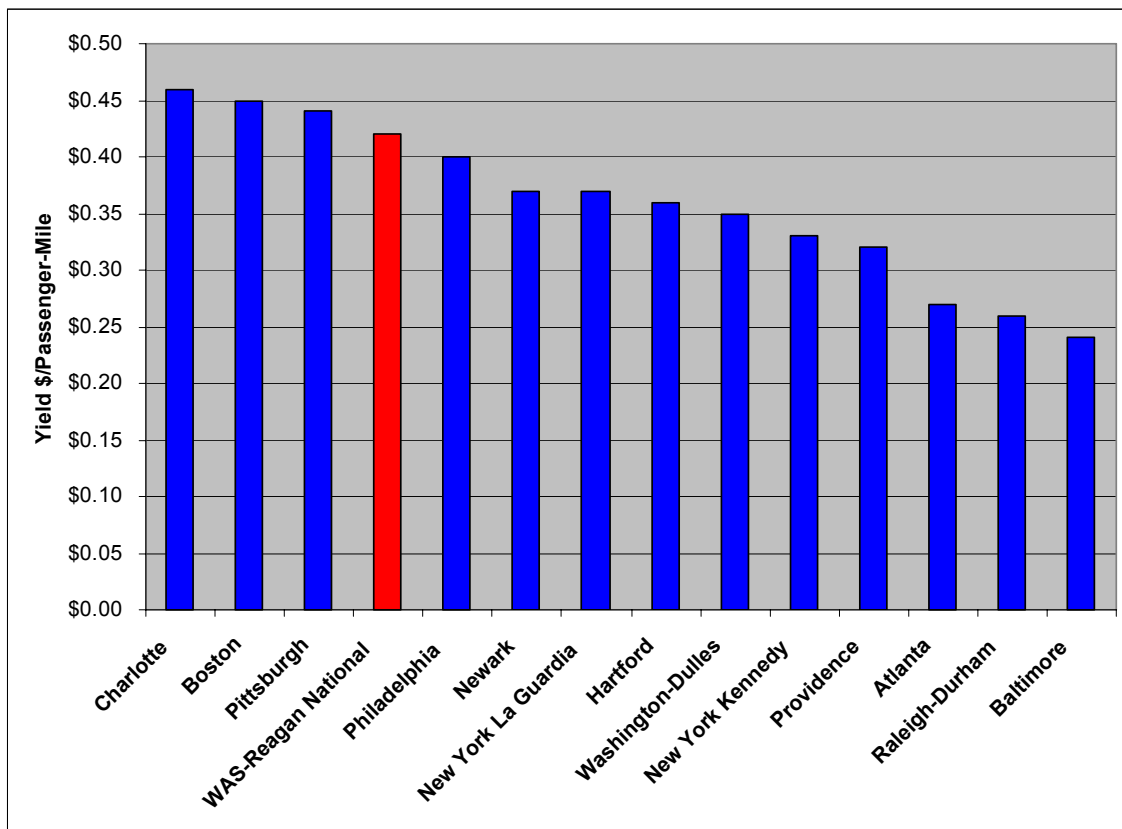
**V. FARES AT REAGAN
 WASHINGTON
 NATIONAL**

Fares at Reagan Washington National

National provides residents and visitors to the National Capital Region with high quality and attractively priced air access. Its fares are comparable to many airports in the east.

The Authority's fare comparison below is based on short-haul (less than 750 miles) traffic. National is primarily a short-haul facility and this role is affirmed by its 1,250-mile perimeter limitation for nonstop services. In order to provide the greatest level of consistency to other filings, the Authority has based its comparison on the collective yields of both non-low fare and low fare airlines.

Exhibit I. Short-Haul Traffic Yield Comparison, All Carriers



SOURCE: United States DOT Database 1B, Year Ending December 31, 2001.
Summarized in DOT "Competition Plan Data" Website, Table 2.

Exhibit II displays short-haul domestic yields of all airlines at National and other eastern airports. National ranks fourth in terms of yields, and fifth in terms of average fares. The lower yields at Dulles and Baltimore Washington International Airports ensure that residents and visitors of the National Capital region still enjoy the full benefits of competition, and have an almost unique opportunity to trade off low fares against the advantages of National's convenient location. The relatively high yields are partly the legacy of this Airport's operating restrictions. The slot controls are older than most low fare airlines. These carriers missed being grandfathered, and have, as a group, had few subsequent opportunities to obtain slots. The traffic volumes at National are, therefore, too small to change the average fares and yields for the Airport significantly.

**Exhibit II. Ronald Reagan Washington National Airport
Enplaned-Deplaned Passengers
October 1, 2001-September 30, 2002**

	Passengers	Cumulative Share
US Airways	3,170,440	31.82%
Delta/Delta Shuttle	2,068,387	52.58%
American	1,583,218	68.46%
Northwest	902,534	77.52%
United	720,402	84.75%
Continental	594,385	90.72%
Midwest Express	243,552	93.16%
American Trans Air	197,484	95.14%
America West	194,112	97.09%
Air Canada	138,164	98.48%
Frontier	57,198	99.05%
Alaska	56,112	99.61%
Midway	38,384	100.00%
Total	9,964,372	

Source: Metropolitan Washington Airports Authority

Exhibit III summarizes activity by airline at National Airport. Appendix D provides information about airline fares, market shares and average trip lengths. Summary data for all carriers is shown in Exhibit IV.

**Exhibit III. Ronald Reagan Washington National Airport
Summary Traffic Data
2001**

Distance	Factor	Market Type		
		Low Fare	Other	Total
Short-Haul (750 Miles or Less)	# City-Pairs	1	81	82
	Passengers	106,810	5,399,840	5,506,650
	Yield \$/RPM	0.210	0.420	0.420
	Trip Length	601	401	404
Long-Haul (Over 750 Miles)	# City-Pairs	6	84	90
	Passengers	1,003,540	3,470,040	4,473,580
	Yield \$/RPM	0.090	0.160	0.140
	Trip Length	1,734	1,326	1,417
All Stage Lengths	# City-Pairs	7	165	172
	Passengers	1,110,350	8,869,880	9,980,230
	Yield \$/RPM	0.100	0.240	0.210
	Trip Length	1,625	762	858

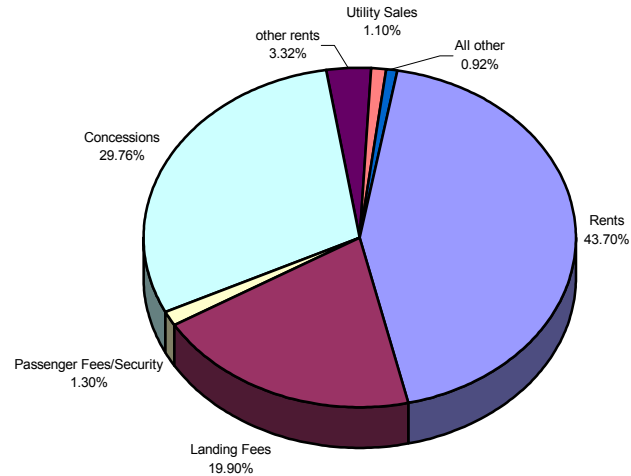
Source: United States DOT Database 1B, Year Ending December 31, 2001. Summarized in DOT "Competition Plan Data" Website, Table 2

VI. FINANCIAL CONSTRAINTS

VI. Financial Constraints

The major source of operating revenue at National for Terminal projects is fees and charges paid by airlines serving the Airport. Capital projects are financed from five (5) sources of funds: Authority revenues, revenue bonds, PFCs, Federal AIP grants and Virginia state grants. Debt service and debt service coverage attributable to projects in airline supported areas plus operating and maintenance expense are recovered through airline fees and charges. In 2002, airlines paid 67.48 percent of total cost of the Airport.

Revenues



Debt service projects in non-airline supported areas is recovered from non-airline revenues.

The external checks on financing large projects at Airports apply to projects at National. The Authority's programs are scrutinized by the financial community. When additional bonds are issued, feasibility studies are performed by outside experts who must opine that there will be sufficient revenues to support the projects. Also, the agencies that rate Airport bonds, (e.g., Standard & Poors and Moodys,) periodically review the Airports' programs. They have consistently rated the Authority's bonds among the highest in the nation.

The National Airport market is strong and there is sufficient demand for air service for the Authority to conclude that there are not unusual financial constraints on projects. The constraints are related to the size of the Airport and the federal regulations impacting Airport regulations.

The Authority has a hybrid compensatory rate-setting contract with airlines serving National. Compensatory rates are calculated annually and fees are subject to more frequent adjustments, as needed. At National, airline fees and charges are reduced from the compensatory rate by a portion of the net revenues of the Airport. These net revenues are created from debt service coverage and profits from non-airline sources of revenue.

PROJECTS IMPLEMENTED USING PFC REVENUES

Ronald Reagan Washington National Airport
Projects Financed with Passenger Facility Charges

<u>Project</u>	<u>Completed</u>	<u>Total Project Cost</u>	<u>PFC Cost</u>
North Passenger Terminal Complex (35 gates)	October 1998	\$ 397,179,154	\$ 82,176,871
Airfield/Taxiway Paving	July 1999	27,378,779	5,243,726
Acquire Property Rights	December 1992	719,101	166,288
Recon Runway 36 Hold Apron	January 1992	1,532,746	1,456,742
Airfield Signage	September 1994	286,239	286,239
Replace Runway/Taxiway Lighting System	September 1994	48,765	48,765
Roadways Phase IV	September 1996	31,930,687	4,229,821
New Apron	May 1998	39,802,421	4,772,055
Roadways Phase VI	September 1997	11,463,320	294,963
Thomas Avenue South Area Realignment	August 1997	1,902,658	357,672
Roadways Phase II	December 1993	13,568,211	5,893,365
Terminal A Building Rehabilitation	Work in Process	<u>173,750,303</u>	<u>57,073,680</u>
TOTAL NATIONAL		\$ 699,562,384	\$ 162,000,187

Availability of Discretionary Income for Airport Capital; Improvement Projects

Provisions in the Use Agreement define the flow of all Airport revenues. The Use Agreement also provides for the Signatory Airlines serving National and Dulles to provide a guarantee for the Authority's revenue debt. For this guarantee, the Agreement provides that the Authority share its net remaining revenue with the Signatory Airlines. The airlines' share of revenue reduces the compensatory airline rates and charges. The Authority's share of revenue is the basis for the major maintenance budget. Many of these projects are capital in nature, for example, airfield panel replacement and roof replacements. The Authority has no other discretionary funds.

**ATTACHMENT: PERIODIC
REALLCOATION OF PREMISES
REVIEW**

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY



October 21, 2002

SUBJECT: Periodic Reallocation of Premises Review as described in the Metropolitan Washington Airports Authority (Authority) Airport Use Agreement and Premises Lease (Agreement) Article 17 – Availability of Adequate Facilities 17.02

Dear:

This is in reference to our letter of July 29, 2002, requesting information pursuant to Article 17, Section 17.02, of the Airport Use Agreement and Premises Lease, for our use in conducting a premises reallocation analysis at Ronald Reagan Washington National Airport.

Based upon our review of the current and historical information provided by the Signatory Airlines relating to forthcoming schedules and equipment, we have determined that the current allocation of premises remains appropriate. Therefore, no changes will be made at this time.

In our analysis, we considered airline schedules utilizing (1) only mainline aircraft, (2) mainline aircraft and 50-plus seat regional jets, and (3) mainline aircraft and all regional aircraft. We elected to consider only the mainline aircraft schedules in reaching our decision on premises reallocation. In accordance with Article 17, Section 17.02 of the Airport Use Agreement and Premises Lease, we also considered the following factors to aid in our decision:

- Each Signatory Airline's historical, current and reasonable projected frequency of operations
- Each Signatory Airline's number of enplaning and deplaning passengers
- Each Signatory Airline's number of gates
- Each Signatory Airline's linear feet of ticket counter space, square feet of holdroom space and square feet of other premises
- The need to provide premises and equipment to a Signatory Airline which is without adequate premises and equipment leased directly from the Authority due to the unavailability of such space
- The practicality of the Authority constructing additional premises within a reasonable period of time

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- The need for the Authority to manage aircraft and passenger activity at the Airport in order to correct an imbalanced use of Airport facilities, including Aircraft parking positions, or to minimize or ameliorate congestion in the Terminal or at the curbside

We feel confident that this review confirms that space at National Airport is allocated fairly, efficiently, and in accordance with the Agreement.

Pursuant to the terms of the use and lease agreement, any Signatory Airline has thirty days from the date of this letter to respond to this decision in writing. A final decision to an inquiry or appeal by the Signatory Airlines will be made in writing by the President and Chief Executive Officer (CEO) of the Authority. A decision in this matter will be considered final and a new three-year period will start either thirty days from the date of this letter or on the date of a final decision by the President and CEO, if necessary.

If you have any questions or comments, please feel free to contact Ms. Kathy Willey, Manager of our Leasing and Passenger Services Division, at (703) 417-8022.

Sincerely,



Christopher U. Browne
Airport Manager

cc: Mr. Richard P. Dei Tos
Executive Director
Metropolitan Washington Airports Committee

CUB:pmw