



IATA Worldwide Scheduling Guidelines and Conference

Core IATA Scheduling Functions

- The development and maintenance of scheduling standards and procedures
- The facilitation of the twice yearly IATA's Schedules Conferences

Background

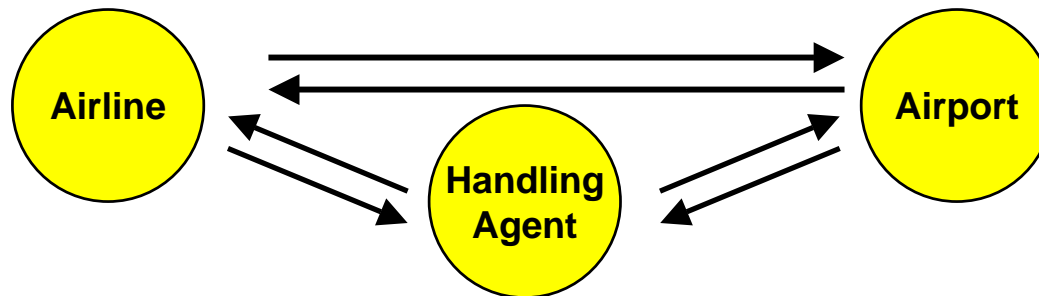
- Successful Self-Regulation
- For the airlines, by the airlines
 - From 3 to 250+
 - Government approval and intervention
 - Independent Coordinators
- 60 years of constant evolution
- Global
 - International airline network needs
- USG has already followed IATA WSG at JFK (via HDR)

What is a slot?

- The scheduled time of arrival or departure available for an aircraft movement on a specific date at a coordinated airport.
- Characteristics
 - For planning purposes – a series of arrival/departure times for a scheduling season e.g. winter, summer
 - Impacted by many factors – not just runway availability:
 - ex.: bridges, parking stands, check-in counters, customs, etc.
 - Earns “historic rights”
 - Approved by the slot coordinator

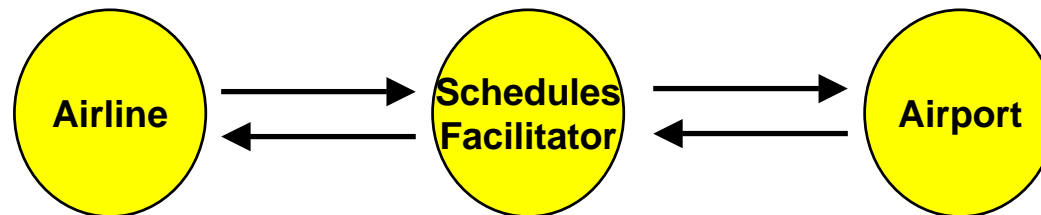
Levels of Airport Activity

- Level 1 (non-coordinated airport)
 - Systems are adequate to meet user demands
 - Simple discussions between airline, handling agent and airport



Levels of Airport Activity

- Level 2 (Schedules Facilitated Airports)
 - JFK, Newark, Orlando, LAX, SFO (92 worldwide)
 - Potential congestion at some points of the day
 - Amenable to resolution by voluntary cooperation
 - A Schedules Facilitator is appointed by the airport managing body



Levels of Airport Activity

- Level 3 (Coordinated Airports)
 - Chicago today, JFK last year (140 Worldwide)
 - Demand for facility exceeds availability and voluntary schedule changes have failed
 - Expansion of capacity in short term highly improbable
 - Slots necessary to manage change
 - Independent slot coordinator appointed by the government



Standards and Procedures

World Wide Scheduling Guidelines (WSG)

- Published by IATA
- Designed to facilitate the allocation, retention and exchange of airport slots at congested airports (Primarily Level 3)
- Serves as the international default system of standards used at Level 3 airports
- Developed jointly by airlines and independent airport coordinators to ensure the interests of both groups are reflected in the standards

Standards and Procedures (Cont)

- WSG includes following standard guidelines/principles
 - Provides guidance in the efficient use of limited resources
 - Fair – all airlines have access to all coordinators
 - Transparent – coordinator's databases are accessible to all airlines
 - Neutral – independent coordinators have no vested interests in the allocation of slots

- Despite global recognition, governments frequently impose additional regulations to the global standards
 - Ex: Europe – New entrants provision over historic slots
 - Ex: LGA/DCA/ORD – Buy Sell local rules

The IATA Schedules Conference

- IATA facilitated meetings:
 - Designed to facilitate the acquisition / exchange of slots at Level 3 airports between airlines
 - Follows IATA WSG, thereby ensuring transparency, equality among airlines
 - Held twice a year (June – November)

- Attendees:
 - Airline representatives – 900 +
 - Government observers
 - IATA personnel

The process at Level 2 & 3 Airports

SUMMER 2008 SCHEDULE

- | | |
|--|----------------------------|
| ➤ Historics distributed by coordinators | 17 September |
| ➤ Deadline for coordinators & airlines to agree historic | 04 October |
| ➤ Deadline for submission of initial slot requests | 11 October |
| ➤ Coordinators distribute slot allocations | 01 November |
| ➤ IATA Scheduling Conference – review submissions | 10-13 November |
| ➤ Constant schedule change between airlines & coordinators | December to October |
| ➤ Slot Monitoring by coordinators throughout operation | April to October |
| ➤ Results of Slot Monitoring - Feedback to airlines | September |

Slot Allocation Priorities

- Historical Precedence to equivalent seasons e.g. summer to summer
 - 80/20 rule – use it or lose it
- Changes to historical slots
- Slot Pool – remaining available slots
 - New Entrants
 - access to 50% of slot pool
 - Less than 5 slots on the particular day
 - Introduction of year round service
 - Additional criteria
 - Size and type of market
 - Requirements of traveling public
 - Frequency of operation
 - curfews

Conclusion

IATA WSG and Schedules Conference process is:

- Proven to effectively address congestion at world's busiest airports
- Created and administered by the airlines for the airlines – a pure market-based solution
- A global standard that takes into account market and network realities
- Fair, transparent and neutral
- Preferable to pricing mechanisms that are not effective and can distort a complex international network system