



2010 **ACI-NA**

Delivering Value to Members

www.aci-na.org

The Mission of Airports Council International – North America is to advocate policies and provide services that strengthen the ability of airports to serve their passengers, customers and communities. Our vision is to be the recognized and authoritative voice of airports.

You Can Count on Us!

Airports continue to face uncertain economic times, heightened security concerns, an ever-growing regulatory burden and environmental challenges. But one thing is certain, you can count on us to provide the professional and experienced staff to represent your interests and advocate for you in the halls of Congress and before national and international regulators. As the Voice of Airports, we are committed to advancing your initiatives and providing resources, programs, and value for our members. Working together, we can succeed in achieving our goals, serving our communities and tackling unexpected challenges.

Advocacy

You can count on us to be your Advocate, covering financial, operational and security issues.

U.S. Congress

Alternative Minimum Tax Reform: Following our success in ensuring that a two-year waiver of the AMT for private activity bonds was included in the American Recovery and Reinvestment Act, ACI-NA continues to work with senior leaders of the House and Senate to obtain a permanent AMT exemption. The data collected on jobs created and ACI-NA's research on borrowing costs from the AMT exemption has convinced legislators to lend their support.



2010 Board Chair G. Hardy Acree and TSA Administrator John Pistole at the ACI-NA Board of Directors meeting in Pittsburgh.

FAA Reauthorization: Ensuring that airports have the financial resources to upgrade and expand infrastructure remains a key priority for ACI-NA's work with lawmakers for a multi-year reauthorization. Our efforts succeeded in an increase of the Passenger Facility Charge ceiling in the House-passed legislation to \$7. We continue to work to educate the Senate on the need to provide airports additional funds to make the investments necessary to improve safety and security at their facilities, relieve passenger delays and congestion, and to ensure they understand that the PFC is a not a tax, but a user fee that helps facilitate new competition and lower fares.

Airport Rescue and Fire Fighting: An analysis of the safety and financial data shows there is no justification for changing the existing standards for Airport Rescue and Fire Fighting. ACI-NA made sure that lawmakers understood this and worked with airports to make their case against any modification and ACI-NA kept ARFF language out of the Senate bill.

Airports Council International–North America

Delivering Value to Members through Advocacy, Education, Expertise & Communications

ACI-NA is the industry's premiere resource to promote airports in the U.S. and Canada as providers of safe, secure, and environmentally-responsible service providers, and as key contributors to economic development. The association serves its members in four key areas:

-  As Advocates of the views and interests of airports before all levels of government
-  As conveners for Educational and networking opportunities for airport officials

-  As Experts providing informed context and analysis about the industry
-  As Communicators of leading issues and initiatives

The Regulators

Regulatory Review and Oversight: As we have demonstrated time and time again, you can count on ACI-NA to provide constructive comments and subject matter expertise to the FAA, TSA, CBP, EPA and other government agencies to ensure proposed federal regulations address real-world airport needs while minimizing the regulatory burden and costs they impose on airport operators. We work collaboratively with these federal agencies to reduce regulatory burdens on our members and consistently advocate for data-driven justification and cost-benefit analysis.

Airport Safety: ACI-NA is the voice of airports on safety issues with FAA, providing critical industry expertise and data, making sure that airport issues are represented on the FAA's Runway Safety Council; Commercial Aviation Safety Team; Research and Advisory Committee and numerous advisory councils. ACI-NA staff has also been directly involved with FAA and airlines to improve the safety of runways during winter operations and airfield construction.

NextGen and Airports: ACI-NA tirelessly works to ensure that FAA, DOT, the airlines and the media understand that *NextGen Begins and Ends at Airports*. Through our active participation in numerous committees we made sure that airport issues were primary considerations in NextGen development and implementation, rather than an afterthought. This year we successfully advocated for strong airport representation on the recently established NextGen Advisory Committee. By providing airports a better understanding of what NextGen means for airports and their passengers, more informed decisions can be made.



Noise: ACI-NA actively participated in FAA's development of a noise research road map, which will focus on advancing the current understanding of the relationship between aircraft noise and its impacts, such as community annoyance and sleep disturbance. ACI-NA is closely following the policy implications of research results, including any potential changes to the definition of "significant noise."

Airport Finances: ACI-NA was successful in working with FAA to revise Form 127, streamlining it to reduce the workload for airports. The revised form, which resulted from almost three years of ACI-NA work, has improved definitions and is consistent with the ACI-NA Annual Benchmarking Survey.

Airport Unrestricted Net Assets: When the airlines used erroneous data from FAA Form 127 to oppose additional financial resources for airports, ACI-NA responded. Industry data was analyzed and presented to FAA, resulting in the modification of reporting guidance for Form 127. We also continue to represent airports in FAA meetings on financial reporting and responding to the airline industry's push for additional disclosure of airport asset data.

PFC-Eligibility of Common Use Kiosks at Airports: When the FAA came out with a recommendation that Common Use Kiosks not be PFC-eligible, ACI-NA immediately prepared the necessary legal documentation and called a meeting with FAA officials to reverse this decision and clearly define PFC eligibility under the "Gates and related areas" provisions.

DBE Certification Reciprocity: You could count on us to take the lead on this issue and work with other industry groups to change DOT rules governing the disadvantaged business enterprises program, including creating a certification reciprocity process that will assist airports in meeting their aspirational goals.

ACI-NA President Greg Principato meets with three FAA regulators during the Pittsburgh conference: Catherine Lang, acting associate administrator for airports; Hank Krakowski, chief operating officer, Air Traffic Organization; and Nancy LoBue, deputy assistant administrator for policy, planning and environment.

Deicing Regulations: In response to the EPA's proposed regulations to address runoff from deicing activities, ACI-NA reviewed and researched the implications of the new regulations which enabled us to advocate for a flexible approach that allows airports to account for site-specific needs. ACI-NA provided the supporting documentation that showed EPA overestimated the benefits and underestimated the costs of its proposal. ACI-NA also helped ensure appropriate FAA participation in the rulemaking process. ACI-NA continues to discuss the proposal with EPA and FAA as a final rule is developed for 2011.

Advanced Imaging Technology Deployment: Following the attempted terrorist attack on Christmas Day, you could count on our staff to get on the phone that day to start working with DHS and TSA to ensure that airports were involved from the get-go in the expedited installation of advanced passenger screening technology. We also provided information to airports and the media about the impact of the evaluation, testing and deployment of Advanced Imaging Technology on airport operations and facilities. We continue to work with TSA to ensure that the agency coordinates closely with airports to determine the appropriate implementation schedule and locations where AIT and other advanced technology equipment should be installed.

In-Depth Security Review: The In-Depth Security Review Task Force, initiated by ACI-NA, has met seven times with senior representatives of TSA legal, compliance and policy to evaluate and discuss potential modifications to outdated or duplicative security requirements. These efforts will not only result in the elimination of archaic regulations, but are also ensuring that new amendments to Airport Security Programs are more effective. You can count on us to stay ahead of the curve on security issues as demonstrated by the annual security trip ACI-NA organizes to visit Ben Gurion International Airport in Israel.

Explosive Trace Detection in the Checkpoint Queue: When TSA expanded the use of its Explosive Trace Detection procedures to test travelers prior to passenger screening checkpoints, ACI-NA quickly responded to airport legal and operational concerns about the indiscriminate placement of signage and instructions to passengers. Our work with TSA senior leadership was successful in clarifying the signage issue and providing guidance for airport law enforcement officers.

Facilitation: Increasing the efficiency of the facilitation process at U.S. and Canadian pre-clearance airports remains an important priority for ACI-NA. We represented the airport industry in advocating that Customs and Border Protection make the Global Entry Trusted Traveler program permanent, expand it to additional airports beyond the initial 20, expand eligibility to citizens of other countries through agreements, include Canadian citizens enrolled in NEXUS automatically and allow Global Entry to be used at Canadian preclearance airports.

CBP Staffing: ACI-NA continues to raise airport concerns about the lack of CBP staff to clear arriving passengers during peak hours, outside of standard operating hours and at smaller airports. ACI-NA staff persists in its efforts to work with DHS and CBP to improve the efficiency and experience foreign travelers encounter when arriving at U.S. international airports.

“I feel very good about the future of airports and about the role that ACI-NA is playing in the planning for that future.”

— Brian Searles, Director of Aviation,
Burlington International Airport

The Courts

DOT's Amended Rates and Charges Policy: ACI-NA took a lead role in the DOT's revisions of its rates and charges policy, which yielded greater flexibility for our members to adjust their rates and charges to recognize airport proprietors' rights, including the use of congestion pricing. When the airline industry contested the new rules in the court of appeals, ACI-NA joined DOT in actively defending the new policy. The court unanimously upheld the new DOT policy and the rights of airport proprietors.

Tinicum Township I: Pennsylvania's Tinicum Township unsuccessfully attempted to levy its own landing fee on the airlines using Philadelphia International Airport. The township's levy was based on the fact that a portion of the airport's runways lie there. As the precedent from this case would significantly affect airports throughout the United States, ACI-NA supported DOT and the airport in this important fight. Ultimately, the courts ruled for Philadelphia and the rights of airports.

The International Front

ICAO Committee on Aviation Environmental

Protection: ACI-NA, along with ACI World, represented airport interests at the triennial meeting of ICAO's Committee on Aviation Environmental Protection where new aircraft nitrogen oxide stringency standards were agreed to and new noise stringency standards drafted.

Airport Economics: ACI-NA continues to work with the U.S. government and ACI World to ensure that no undue restrictions are placed on airports' ability to recover their costs efficiently and effectively, as ICAO looks to revise its *Airport Economics Manual*.

“Year after year, the ACI-NA annual conference continues to exceed my expectations for providing great informative sessions and networking!”

— Kevin Quan, Engineered Arresting Systems Corp.

U.S. International Air Service: While our official name includes only North America, you can count on us to represent your interests around the world. ACI-NA participated in negotiations this year with the European Union that culminated in a second stage Open Skies agreement which secures the benefits of the historic first stage agreement by eliminating a potential suspension of rights. This enhances cooperation in a number of areas, including giving the EU carriers some additional Fly America rights.

Education

You can continue to count on ACI-NA as a leader in professional development and networking opportunities to strengthen the expertise of airport staff. By providing a forum for our U.S. and Canadian members to share “best practices” and cutting edge information while earning continuing education credits, ACI-NA has become the industry leader in providing cost effective education to the North American aviation community.

Conferences: Since last year's Annual Conference in Austin, nearly 2,600 attendees benefited from educational and training opportunities ACI-NA delivered.

Annual Conference and Exhibition: The 19th Annual Conference and Exhibition in Pittsburgh drew more than 1,600 delegates and more than 100 exhibitors.

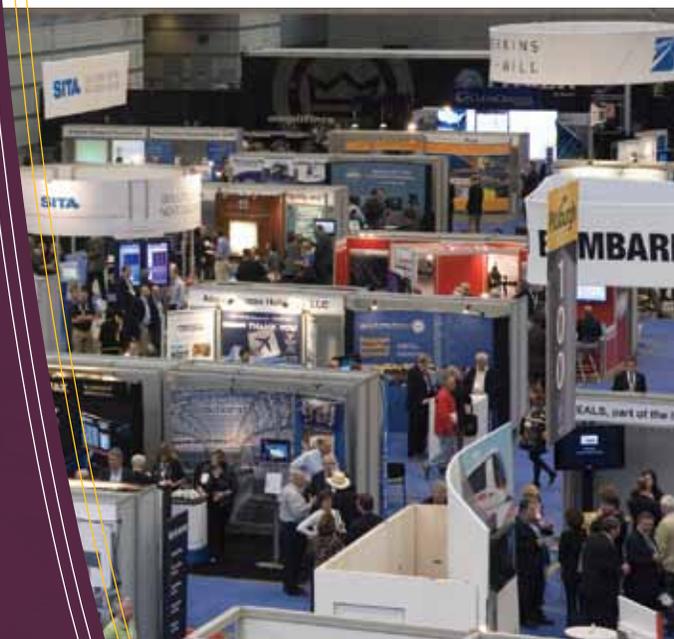
Awards: ACI-NA sponsors three airport award programs each year to encourage the sharing of ideas and to recognize “best practice” accomplishments of our members. The awards are given for environmental affairs, communications and marketing and concession management.

ACI Global Training Hub: Through a partnership with ACI World, ACI-NA and our member airports, eight classroom courses were offered in the North American region in 2010.

Expertise

ACI-NA has invested in our staff, so you can count on us to use our experience to provide informed commentary on industry news, trends and practices. We also provide industry data and facilitate the sharing of best practices by conducting annual benchmarking studies. Because of our extraordinary efforts to educate the House and Senate on aviation issues, ACI-NA is viewed as the “go-to” organization to obtain airport information.

The ACI-NA 19th Annual Conference and Exhibition in Pittsburgh's David L. Lawrence Convention Center.





Denver's Ken Green moderated a panel presentation on passenger rights in Pittsburgh. The panelists included Charles Leocha, Consumer Travel Alliance; Samuel Podberesky, DOT; Lisa Anderson, Southwest Airlines; and Steve Lott, IATA.

Research and Advisory Activities: ACI-NA represents airport interests in research and advisory committees focused on airport safety, operations, maintenance, planning and design and sustainability. Staff members serve as liaisons on more than 50 current and upcoming ACRP project panels—including those assessing aircraft rescue and firefighting standards, airport capacity evaluation techniques, airport design standards, and managing pandemic events.

Financial Resources and Industry Benchmarking: ACI-NA's Finance Committee Resource Center contains airport comprehensive annual financial reports, economic impact studies, airline use and lease agreements and capital improvement program policy documents. ACI-NA is the only source for detailed industry financial data, allowing airports to benchmark their performance against peers in the United States and Canada.

Concessions Benchmarking Survey: The comprehensive Concessions Benchmarking Survey, tracking the latest statistics on the industry, will be distributed later this year. Interest remains high as this data is critically important for managing and increasing airport non-aeronautical revenue.

Environmental Goals and Benchmarking Survey: ACI-NA has updated its 2008 environmental benchmarking survey, providing up-to-date information on the wide variety of environmental programs undertaken by airports across North America. The survey also provides a snapshot of airports' progress toward achieving the environmental goals adopted by the ACI-NA Board in 2009. Follow-up data from the survey as well as the recently established Environmental Resource Center will assist airports in implementing the goals.

Sustainability: ACI-NA continues to promote the adoption of sustainable programs at airports. The Sustainable Aviation Guidance Alliance database will be updated and enhanced through an ACRP project advocated by ACI-NA. We are actively engaged in the development of sustainability metrics, best practices, and potential certification programs through ACRP and elsewhere. ACI-NA is also working on sustainability issues on a global basis to assist in the development of the Global Reporting Initiative's airport sector supplement.

Communications

When the industry, policymakers and the media need to know what is going on, they count on us to communicate the news. We are experts at telling the "airport story," and ACI-NA's "deep bench" of subject matter experts means we are frequently called on by the media.

Effective media outreach: ACI-NA's strategic outreach to the news media influences and improves news coverage of airport issues in government affairs, security, technology, environment and business and operations. Our quick-response system for developing and approving organizational positions allows ACI-NA to respond immediately to breaking news about the industry.

Social Media: To reach the news media faster and communicate more broadly with our membership, ACI-NA has launched Facebook and Linked In sites, as well as maintaining an active presence on Twitter.

Facts About Airports: ACI-NA restructured the annual report and membership directory into a new product, *Facts About Airports and the 2010 ACI-NA Membership Directory*.

Challenges

In 2011, You Can Count on Us, no matter what the issue or challenge. Our experienced and knowledgeable staff looks forward to helping airports throughout North America be successful in ensuring safe, secure and efficient passenger and cargo operations.



Safety Management Systems: ACI-NA has been closely tracking the FAA's efforts to implement airport Safety Management System requirements in the U.S. AIC-NA is working with member airports to collect information on the SMS NPRM allowing us to file comprehensive comments, and do all we can to promote an outcome that recognizes airport realities.



NextGen: As the FAA's NextGen program continues to evolve ACI-NA will further expand our work ensuring that airports are directly involved with the implementation activities. To enhance our effectiveness, we have re-engaged our NextGen Working Group to provide additional technical support for these efforts.



TSA/FAA Joint Operating Procedures: ACI-NA continues to work for effective communication between the TSA and FAA. We have encouraged the agencies to resolve conflicts between Part 139 Airport Emergency Plans and 1542 Airport Security Program requirements, working in partnership with airports.



Deicing: ACI-NA is working to ensure any finalized deicing regulations are cost-effective and flexible enough to account for individual airport needs.



Air Quality Standards: ACI-NA is educating airports regarding the potential impacts of increasingly-stringent ambient air quality standards, which may put more airports in non-attainment areas.



NEPA: Through education and identification of best practices, ACI-NA will continue to help airports improve the efficiency of the National Environmental Policy Act process through improved integration with airport planning.



Airport Financial Data: ACI-NA is the leader on airport financial matters and we will continue to work within reason to enhance the transparency and understanding of airport financial data, but will oppose unnecessary disclosures that impose additional, unjustified regulatory burdens on airports.



Increased Coordination with Canada: ACI-NA staff continue to make our work more relevant to Canadian members. We are actively coordinating with our colleagues at the Canadian Airports Council and are identifying topics and regulatory issues that are common to both the U.S. and Canada.



Training: Recognizing the critical need to educate and train employees, ACI-NA and ACI World will continue to offer courses for all levels of airport staff.



1775 K Street, NW, Suite 500 | Washington, DC 20006
voice (202) 293-8500 | fax (202) 331-1362
www.aci-na.org