

# METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

## **Preserve Reagan National Airport Slot & Perimeter Rule**

Members of Congress have historically used the FAA Reauthorization cycle to relax, or create new exemptions to, the statutory perimeter around Reagan National Airport. A few Members of Congress from districts outside the perimeter are once again pushing for new perimeter exemptions, which cause operational and financial problems for Reagan National and Dulles airports. These efforts are currently supported by a coalition of outside the perimeter businesses led by Delta Air Lines.

#### What are Slots?

#### What is the Perimeter?

Slots are permits granted by the Federal Aviation Administration (FAA) to take off or land at an airport. A round-trip flight requires one slot to arrive and one to depart (a "slot pair"). The slot system manages congestion by controlling the frequency of takeoffs and landings and assures safety. Slots are issued to airlines and can then be traded among airlines under FAA guidance.

The **perimeter** is a 1,250-mile radius from Washington, D.C., beyond which nonstop flights to/from DCA are prohibited without a federally granted exemption. It limits DCA to shorter flights and smaller aircraft while managing congestion and limiting jet noise in surrounding residential areas. Originally set at 650 miles, the perimeter has been expanded by congressional and regulatory actions. In addition, Congress has legislated 20 daily beyond-perimeter round trip exceptions.

# Protect Inside-Perimeter Air Service and the D.C. Regional Economy

The long-standing slot and perimeter regulatory structure assures the efficient and economical operation of the Metropolitan Washington Airport Authority's two-airport system serving Washington, D.C. in addition to managing congestion and assuring passenger safety. It is essential for maintaining the operational and financial balance between the small, space-constrained and over-crowded Reagan National (DCA) and the much-larger Dulles International (IAD), which is equipped to handle bigger planes and longer flights and designed to be the region's growth airport.

Despite DCA's flight limitations, the D.C. region is well served by IAD, which has no flight restrictions. For passenger convenience, Dulles is served by a special access highway and by the Metrorail public transit system. Additionally, Washington is served by the nearby Baltimore airport, which also has no flight restrictions.

**Protect DCA's continued air service to smaller cities**, customer-service quality, growth of travel options for the region and the future growth of the National Capital Region's economy by preserving the DCA Slot/Perimeter Rule as it currently exists. Politicians and corporations from other parts of the country should not dictate how the D.C. region's airports operate.

## **Impact of Relaxing Perimeter Rule**

Perimeter exemptions enable airlines to shift long-distance flights from Dulles (IAD), or other airports, to DCA. This adds to DCA's overcrowded conditions and strains its limited facilities. When flights shift away from Dulles, it raises costs for IAD's airlines and passengers and upsets the operational and financial balance of the DCA-IAD airport system, eroding the airports' contribution to the regional economy.

The migration of flights was a key driver of a situation in 2014, when IAD's costs to airlines rose to the highest in the nation, prompting airlines to reduce service or leave IAD entirely. This, in turn, discouraged new airlines – especially international carriers that need domestic connections for their transfer passengers – from serving IAD.

Because DCA operates at capacity during most daytime hours, existing inside-perimeter destinations could be converted to more-profitable beyond-perimeter destinations to accommodate new exemptions. As a result, smaller inside-perimeter cities – including some state capitals – would risk losing their nonstop air connection to DCA.

### Recovering From Prior Perimeter Relaxation

To address the economic dilemma caused by the migration of flights from IAD to DCA, the Metropolitan Washington Airports Authority restored balance to the two-airport system through innovations to cut operational expenses, increase non-airline revenue and support airline profitability. Over a five-year period this helped Dulles recover and begin growing again. Should new perimeter exemptions trigger a return to 2014 conditions at Dulles, these initiatives, now in place, cannot be repeated to restore the balance. This would be an economic blow to the National Capital Region's economy and its status as a global gateway for air travel.

