



## WASHINGTON AVIATION SUMMARY

### SEPTEMBER 2023 EDITION

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The Kirstein & Young law firm specializes in representing U.S. and foreign airlines, airports, leasing companies, financial institutions and aviation-related companies before U.S. Government agencies, Congress, the courts and in commercial and financing matters.

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## I. REGULATORY NEWS

### 1. DOT Fines American Airlines \$4.1 Million for Tarmac Violations.

The U.S. Department of Transportation (DOT) fined American Airlines \$4.1 million for violating the rule prohibiting tarmac delays of three hours or more on domestic flights without providing passengers an opportunity to deplane, between 2018 and 2021. On one of the 43 flights, passengers were not provided food and water, as required. Most of the delays occurred at Dallas Fort Worth International. The tarmac delays affected a total of 5,821 passengers. This is the largest fine ever issued for tarmac delay violations. Of the \$4.1 million assessed, \$2.05 million will be credited to the airline for compensation provided to passengers on the affected flights.

### 2. David Boulter Named FAA Associate Administrator for Aviation Safety.

David Boulter was named Associate Administrator for Aviation Safety at the Federal Aviation Administration (FAA), after serving in an acting role since June 2022. The office is responsible for setting, overseeing and enforcing safety standards for airlines, manufacturers, repair stations, advanced air mobility, uncrewed aircraft systems and aviation professionals. Boulter previously was Executive Director of Flight Standards. Prior to joining FAA in 1997, he held civilian positions in part 121 and part 135 operations as a pilot, flight instructor, check airman, and chief pilot of a commuter airline.

### 3. FAA Awards \$121 Million to Reduce Runway Incursions.

FAA awarded more than \$121 million to U.S. airports to reduce the risk of runway incursions. Projects “will reconfigure taxiways that may cause confusion, install new lighting systems and provide more flexibility on the airfield.” The funding comes from several sources, including FAA’s Airport Improvement Program and the Bipartisan Infrastructure Law. Grant recipients include Boston Logan (\$44.9 million), Ted Stevens Anchorage (\$39.8 million), Reagan Washington National (\$5 million), Willow Run Detroit (\$12.8 million), Toledo Express (\$4.6 million), Richmond International (\$5.6 million), Jackson Hole (\$2.6 million) and Naples Municipal (\$3.5 million). . . . Responding to a *New York Times* report of “an alarming pattern of safety lapses and near misses in the skies and on the runways of the United States,” FAA said “the number and rate of runway incursions are steadily declining,” clarified types and causes of runway incursions, and outlined actions being taken to reduce them. The *Times* investigation found at least 46 close calls involving commercial airlines in July alone, and “on average, multiple times a week . . . Mistakes by air traffic

controllers — stretched thin by a nationwide staffing shortage — have been one major factor.”

4. **FAA Meets 1,500-Controller Hiring Goal for 2023.**

FAA said it has hired 1,500 air traffic controllers, meeting its goal for the year, and has approximately 2,600 controllers being trained at facilities across the country. A plan to hire 1,800 controllers in the upcoming year hinges on receiving funding requested in the Administration’s FY’24 budget.

5. **DOT Issues Final Rule on Accessible Lavatories.**

DOT issued a final rule that requires airlines to make lavatories on new single-aisle aircraft large enough to permit a passenger with a disability and an attendant to approach, enter, and maneuver within, as necessary.

6. **FAA Issues Alert to Prevent Injuries to Ground Crews.**

FAA issued a Safety Alert for Operators to prevent injuries while workers are towing aircraft and guiding them to and from gates. The alert reminds airlines that workers must remain clear of operating engines until they are shut down, and remain clear of an aircraft until it comes to a complete stop and the wheel chocks are in place. It also recommends that airlines review their Safety Management System to ensure their procedures follow these standards. The alert was prompted by “multiple events where injuries or fatal injuries have occurred during aircraft towing or ground handling operations.”

7. **FAA Refers New Unruly Passenger Cases to FBI.**

FAA referred 22 unruly passenger cases to the Federal Bureau of Investigation (FBI) for criminal prosecution review, bringing the total to 39 for 2023. The incidents can involve criminal prosecution and fines up to \$37,000 per violation. They ranged from smoking to physical/sexual assault and attempting to breach the cockpit. FAA has referred more than 270 of the most serious cases to the FBI since late 2021. . . . In related news, the FAA Reauthorization Act of 2023 (S.1939), introduced in the Senate, includes a provision that would require airlines to “deploy an Employee Assault Prevention and Response Plan to facilitate appropriate protocols, standards, and training to equip employees with best practices and the experience necessary to respond effectively to hostile situations and disruptive behavior and maintain a safe traveling experience.” . . . The International Air Transport Association (IATA) found increased unruly passenger incidents in 2022, with one incident reported for every 568 flights, up from one per 835 flights in 2021. Physical abuse incidents, including threats to kill, increased 61% over 2021, occurring once every 17,200 flights.

**8. FAA to Review Regulations for Charter Flights.**

FAA is considering a rulemaking to address the exception from domestic, flag, and supplemental operations regulations for public charter operators, and seeks public comment, data, and other information regarding current and planned public charter flights operated under on-demand rules using Part 135 operators. The review appears to have been undertaken based on claims by ALPA that these “scheduled” charters should be operated by Part 121 air carriers rather than Part 135 operators. Comments are due October 13, 2023.

**9. DOT Suspends Viva Aerobus-Allegiant Joint Venture Review.**

DOT suspended a review of the joint venture application between Allegiant Air and Viva Aerobus. The application for antitrust immunity was filed in December 2021. DOT said it is working with the Mexican government to resolve significant concerns about recent actions affecting U.S. carrier operations at Benito Juarez International Airport and will resume the review “once we can confirm compliance with, and full implementation of, the terms of the U.S.-Mexico air transportation agreement.” Mexican authorities want carriers to move their operations from Mexico City's capacity-constrained Benito Juarez to the new Felipe Angeles International Airport.

## II. AIRPORTS

### 1. FAA Extends Slot Waivers at DCA and New York Area Airports.

FAA extended the slot waiver granting operational relief at New York Kennedy, LaGuardia and Newark and Reagan Washington National (DCA) airports through end of full Summer IATA Season, October 28, saying it expects airlines to operate larger aircraft to transport more passengers and make sure passengers are fully informed about any possible disruptions. Airlines for America (A4A) requested the waiver, last granted in March, writing: “Carriers have been hiring aggressively and will continue to make significant investments in human and technological resources to ensure that even more reserve crews exist to improve resiliency when irregular operations occur. However, air traffic control staffing and extreme weather are unique circumstances beyond our control that merit a limited and conditional waiver of slot usage rules until the system can stabilize. Granting relief for the rest of the summer season is in the best interest of the flying public because it will minimize disruptions and provide greater predictability for airlines and consumers.” FAA said it “is working closely with NATCA [National Air Traffic Controllers Association] to implement a long-term solution to resolve ongoing low staffing levels at the New York Terminal Radar Approach Control (N90).” A4A requested that FAA “make public the data relating to progress on hiring and certifying air traffic controllers at critical facilities.”

### 2. Atlanta Remained World’s Busiest Airport in 2022.

Total global passenger traffic surpassed 6.6 billion in 2022, up 43.8% from 2021, a recovery of 72.5% versus pre-pandemic result (2019), reports Airports Council International (ACI). Of the top 20, London Heathrow shows the biggest jump, from 54th to 8th, as all pandemic travel restrictions were lifted by the UK in March 2021. Global air cargo volumes decreased by 6.7% year-over-year (-2.6% versus 2019), attributed to geopolitical tensions and trade and supply chain disruptions. Cincinnati/Northern Kentucky—Amazon Air’s primary U.S. hub and DHL Express’ Global Superhub for the Americas—had largest cargo volume growth (+16.8%). Hartsfield-Jackson Atlanta remained the busiest airport in North America (and the world) in 2022, with 93.6 million passengers. Toronto Pearson again was Canada’s busiest, with 35.6 million passengers. Memphis was North America’s busiest cargo airport in 2022. Nine of the top 10 airports globally for aircraft movements are in the United States.

### 3. Newark Opens Final New Gates at Terminal A.

The one-million-square-foot, 33-gate Terminal A at Newark Liberty is fully operational with the opening of the final five gates, more concessions and the

transfer of Delta's operations and Sky Club lounge from Terminal B. Air Canada, American, JetBlue and United are also in the new Terminal, which, as of mid-August, had served over 9 million passengers, said Port Authority of New York and New Jersey. Munich Airport NJ is the operator of Terminal A.

4. **\$100 Million Modernization of Albany Intl. Begins.**

Albany International broke ground on a \$100 million terminal expansion. The project was awarded \$60 million in New York funding, which was part of \$230 million allocated for upgrades at nine airports across the state. Features include revitalized airline ticketing, baggage claim and concession areas; removal of existing rotunda and pedestrian bridge to construct new main entrance with glass curtain wall and lightweight, translucent canopies; relocation and expansion of existing security checkpoint and passenger recompositing areas; airside marketplace expansion and additional circulation and seating areas; expansion of landside connector between airport and parking garage; and upgraded heating, ventilation and air conditioning systems. Albany is the oldest U.S. municipal airport.

5. **Boston Logan Opens Terminal E Expansion.**

Massachusetts Port Authority held a soft opening of Boston Logan's 320,000-square-foot Terminal E expansion, which includes four new aircraft gates. A grand opening is planned for early October.

6. **Southwest to Build New Crew Base at Nashville Intl.**

Southwest will build a new crew base at Nashville International in second quarter 2024, doubling the number of pilots and flight attendants based there. Southwest, the largest carrier at Nashville, will add four gates in fourth quarter 2023 when the Concourse D extension opens. Nashville will be the airline's 12th crew base.

7. **Robots Handling Baggage at Schiphol.**

Amsterdam Schiphol acquired 19 baggage handling robots, after a successful two-week pilot project. The technology was designed to alleviate the human stress of lifting suitcases. The airport is also purchasing 30 lifting aids that serve as a bridge from the baggage belt to the baggage container so that employees only need to pull baggage from the container towards the lifting aid. All workplaces where transfer baggage is handled will be equipped with a lifting aid.

8. **Dublin Wins Stay of Order to Limit Night Flights.**

Dublin Airport operator daa welcomed a High Court stay that allows time to apply for a Judicial Review of a local enforcement order to limit night flights.

Alternative noise abatement proposals made by the new Aircraft Noise Competent Authority (ANCA) are currently under review. “Balancing the needs of a major international airport like Dublin, with the needs of local communities and residents is always a delicate matter, but one we take extremely seriously,” said daa CEO Kenny Jacobs.

**9. Changi and Egypt Airports Sign Agreements to Develop Cairo Intl.**

Changi Airports International and Cairo Airport Company agreed to jointly develop solutions to improve the passenger experience at Cairo International. A second agreement was signed for a feasibility study for development of Cairo Cargo City, a new area at the airport earmarked for cargo and logistics.

**10. Construction of New Terminal at Ho Chi Minh City to Start.**

Construction of a third terminal at Tan Son Nhat International (SGN) is set to begin, after several delays. Located near the center of Ho Chi Minh City (Saigon), SGN has two runways and handles 15-17 million passengers per year. A second major airport, Long Thanh International, which will be far from the city center, has long been planned; it will have four runways and serve over 100 million passengers annually. Rail connections are planned.

### **III. SECURITY AND DATA PRIVACY**

**1. TSA PreCheck Update.**

A second Transportation Security Administration (TSA) PreCheck enrollment option, Telos Corporation, is now serving 10 locations, said the TSA. Original enrollment provider IDEMIA opened at Denver International in Concourse B, in which ticketed United Airlines travelers can enroll with no need for an appointment. Moving forward, members may renew memberships online with Telos or IDEMIA, regardless of who they enrolled with initially. Active membership in TSA PreCheck has grown to more than 15 million passengers. . . . Cayman Airways, French bee, Titan Air and Zipair have been added to the program, bringing the number of participating carriers to 90.

**2. TSA Expands Certified Cargo Screening Program.**

TSA announced changes to the Certified Cargo Screening Program that will enable certified program participants to package and ship secure air cargo, while reducing the need for additional screening requirements later in the supply chain.

**3. TSA Backs Stronger Philippine Aviation Security.**

The U.S. government has supported aviation security in the Philippines with security screening equipment, training for security personnel, posting of aviation security advisors, and sponsorship of an airport observation visit to Indianapolis International. In a recent visit, TSA and Philippines officials discussed challenges and how local airport officials are adopting techniques and methods to protect air transportation from security threats.



## **IV. TECHNOLOGY AND EQUIPMENT**

### **1. Sabre, SAS Distribution Agreement to Include NDC Content.**

Scandinavian Airlines (SAS) and Sabre signed an enhanced multi-year distribution agreement, under which agencies can retain competitive access to SAS fares and offers through the Sabre travel marketplace, while also giving SAS the ability to distribute future NDC (New Distribution Capability) content. Sabre said more than 15 carriers are distributing their NDC content via its global distribution system.

### **2. American Airlines Sues Travel Site Skiplagged.**

American Airlines is suing Skiplagged, a travel website that, said the airline, “deceives the public into believing that, even though it has no authority to form and issue a contract on American’s behalf, somehow it can still issue a completely valid ticket.” Skiplagged’s actions constitute “tortious interference, breach of the AA.com terms of use, trademark infringement, copyright infringement and other violations,” says the lawsuit.

### **3. Wisk, Archer, and Boeing to Collaborate.**

Wisk Aero and Archer Aviation reached a settlement to resolve federal and state court litigation and “entered into a collaboration that looks forward to the growth and development of the advanced air mobility industry.” Boeing, which owns Wisk, invested an undisclosed amount in Archer “that will support the integration of Wisk’s autonomous technology in future variants of Archer’s aircraft.” Wisk and Archer are developing electric vertical takeoff and landing (eVTOL) aircraft for use in urban networks.

## **V. ENERGY AND ENVIRONMENT**

### **1. Fuel Bill for Global Airline Industry.**

Average price of aviation jet fuel for week ending August 11 was \$123.18/barrel, down 10.1% on prior year average, reports IATA using data from S&P Global Platts.

### **2. Oakland Draft EIR for Proposed Terminal.**

A Draft Environmental Impact Report (EIR) for the Oakland International Terminal Modernization and Development Project was released by airport owner/operator Port of Oakland. The project includes modernizing Terminals 1 and 2 and constructing a new 830,000-square-foot terminal. Up to 16 additional passenger gates would be added. The airport, located in the densely populated East Bay of the San Francisco Bay Area, is pursuing Level 2 certification under the Airport Carbon Accreditation program. Expansion foes say Port plans for a 50% reduction in greenhouse gas (GHG) emissions by 2030 and net zero emissions by 2040 are insufficient. A public review and comment period was extended to October 16.

### **3. ASTM Approves Swedish Biofuels SAF Technology.**

The ASTM International Committee accepted use of C2 to C5 alcohols as feedstock for the Alcohol to Jet (ATJ) pathway, announced Swedish Biofuels, as well as a new specification for fully formulated aviation fuel with aromatics. The fuel “is completely indistinguishable from fossil kerosene in its composition and properties [and] will be eligible as a standard to be used for fuel production for commercial airlines,” said Swedish Biofuels. The company invented the original ATJ technology, patented in 2004 for production of fully formulated Sustainable Aviation Fuel (SAF) from alcohols.

### **4. IAG, Microsoft Agreement for Large-Scale Global Purchase of SAF.**

International Airlines Group (IAG) and Microsoft signed a co-funded purchase agreement for SAF. IAG committed \$865 million in future SAF purchases and investments, as of end of 2022, has a target to meet 10% of its fuel needs from SAF by 2030, and is funding supply agreements and investments to accelerate SAF production, including in Nova Pangaea’s waste-to-fuel production facility in the UK. Microsoft will co-fund 14,700 tons of IAG’s SAF purchasing in 2023, enough to fully fuel 300 British Airways Boeing 787 flights between London and Seattle. This agreement will enable Microsoft to reduce its emissions and progress toward its goal of being carbon negative by 2030. SAF produced from used cooking oil and food waste will be supplied to IAG airlines (British Airways, Aer Lingus, Iberia and Vueling) operating from London Heathrow and Gatwick

during 2023. The SAF will be provided by Phillips 66 Limited's Humber Refinery, which is the UK's only industrial scale producer of SAF.

5. **Google Joins SAF Program.**

Google has signed on with an SAF program led by American Express Global Business Travel (Amex GBT) and Shell Aviation, joining other major corporations such as Aon, Bank of America, Delta, Cathay Pacific, JetBlue, and Japan Airlines. The program launched in 2022 with one million gallons of SAF available for corporate customers, "enough to power almost 15,000 business trips from London-to-New York." The program is powered by, a blockchain-powered digital SAF book-and-claim solution for business travel. Avelia provides "clear and transparent tracking of the environmental attributes of SAF delivered into the aviation fueling network [that] can be allocated to both airlines and business customers, while avoiding issues such as double counting." Business travel accounts for 15% of air travel globally, generating 40% of revenues, said Amex GBT; with air travel accounting for 90% of business travel emissions, SAF, when used neat, can reduce lifecycle carbon emissions by as much as 80%, compared to traditional fossil-based fuels.

## **VI. U.S. CONGRESS**

### **1. FAA Reauthorization Status.**

Before leaving Washington for the annual August recess, which ends on Labor Day, the House passed its FAA Reauthorization bill, “Securing Growth and Robust Leadership in American Aviation Act.” The Senate bill stalled over proposed changes for the 1,500-hour rule for pilot training and the perimeter rule for Washington Reagan National Airport. Current authorization ends on September 30; Senate Commerce Committee Chair Maria Cantwell (D-Wash.) said an extension likely will be needed.

### **2. A4A Opposes Senate’s Proposed “Credit Card Competition Act.”**

The bipartisan “Credit Card Competition Act of 2022,” introduced in the Senate, would threaten airlines' reward credit cards, said Airlines for America. It “would eliminate consumer choice over which network credit transactions are routed, increasing complexity and confusion” and “unnecessarily increase the cost associated with participating in these rewards programs.” Bill sponsors say the bill would enhance competition and choice in a market “currently dominated by the Visa-Mastercard duopoly” that imposed “\$77.48 billion in U.S. merchant credit card fees in 2021.”

### **3. “SAF Accuracy Act of 2023” Introduced in House.**

The “Sustainable Aviation Fuels Accuracy Act of 2023” was introduced in the House. The legislation would clarify the definition of SAF and specifies that the Department of Energy Argonne National Laboratory’s GREET model is an allowable methodology for determining SAF lifecycle GHG emissions. A companion bill has been introduced in the Senate.

### **4. “Visitor Visa Wait Time Reduction Act” Reintroduced in House.**

The “Visitor Visa Wait Time Reduction Act” was reintroduced in the House. Average wait time for nonimmigrant visa appointments is 250 days, said bill sponsors, and longer than two years in some Latin American countries. The bipartisan bill would require the State Department to outline steps to address the problem at each diplomatic post where wait time for a visa appointment exceeds 100 days, and temporarily reassign staff to posts where the wait time for a nonimmigrant visa appointment exceeds 300 days.

## VII. **BILATERAL AND STATE DEPARTMENT NEWS**

### 1. **U.S.-China Weekly Flights to Double.**

The U.S. and China agreed to increase weekly round-trip service between the two countries, from 12 currently to 18 on September 1 and to 24 on October 29. “Our overriding goal is an improved environment wherein the carriers of both parties are able to exercise fully their bilateral rights to maintain a competitive balance and fair and equal opportunity among U.S. and Chinese air carriers,” said DOT. . . . The flights will be operated by Air China, China Eastern, Xiamen and China Southern, and by United, American and Delta. . . . American will offer three weekly flights between Dallas and Shanghai in early 2024. United will resume daily flying between San Francisco and Beijing in November and increase flying to Shanghai with daily flights from San Francisco, from October 1. Delta will operate flights to Shanghai-Pudong, daily from Seattle, and three-times-weekly from Detroit, beginning October 29. Next March, Delta will resume four-times-weekly Shanghai-Pudong service from Los Angeles, a route last operated in February 2020. Delta and China Eastern operate 260 codeshare flights per week.

### 2. **U.S.-Mongolia Open Skies Agreement Signed.**

U.S. Transportation Secretary Pete Buttigieg and Mongolia Road and Transport Development Minister Byambatsogt Sandag signed the U.S.-Mongolia Open Skies Agreement that was finalized on January 24, 2023. DOT has already issued authority to MIAT Mongolian Airlines to serve the United States on the basis of the new agreement. Additionally, a Memorandum of Cooperation was signed to foster cooperative work on multiple modes of transportation, including rail, highways, inland waterways, transit, aviation, and hazardous materials safety.

## VIII. EUROPE AND AFRICA

### 1. Lufthansa, Pilots Conclude Long-Term Agreement.

The Vereinigung Cockpit pilots' union accepted a Lufthansa proposal, which includes salary increases of more than 18%, variable compensation aligned to business success, and more plannable leisure time and roster stability, with ten free days a month. The remuneration agreement remains in effect until at least December 31, 2026. . . . Lufthansa Group reported significantly higher profit in second quarter with strong revenue growth, and expects adjusted EBIT of at least €2.6 billion for 2023.

### 2. France Plans to Increase Airline Ticket Taxes.

France is planning to increase taxes on airline tickets, in order to support investment needed for train infrastructure and environmental goals. The French Minister of Transport of France said the higher taxes are expected to be implemented next year as part of the new budget.

### 3. Aer Lingus Adds Service to Denver, Minneapolis-St. Paul.

Aer Lingus announced new Dublin to Denver flights; the four-times weekly Airbus A330 summer service begins next May. A re-launch of the Minneapolis-St. Paul route begins April 29; four-times weekly service will increase to daily year-round in October 2024, on the A321XLR. "This summer has been our biggest yet, with 2.25 million seats to North America and the successful addition of Cleveland," said CEO Lynne Embleton. Colorado-based companies, including Level 3 Communications, Otter Products, Webroot, Graebel, Emergentics, and Paragon 28, have European headquarters in Ireland, and companies headquartered in Minnesota, including 3M, Smiths Medical, and Medtronic, have Irish bases, noted the airline, and are "among North America's fastest growing tech hubs and share some significant parallels with Ireland."

### 4. American Adds European Routes.

American will add new nonstop service from Philadelphia to Copenhagen, Nice and Naples next summer, and Dallas-Fort Worth to Barcelona, and will resume flights between Chicago and Venice. Dallas-Fort Worth to Buenos Aires expands to daily this October.

### 5. Delta Adds Dublin Service, Expands Kenya Airways Partnership.

Delta will offer five-times weekly seasonal service from Atlanta, Boston and Minneapolis to Dublin on May 9, 2024, in addition to year-round service from New York Kennedy. . . . Delta and Kenya Airways expanded their partnership to include Kenya Airways' daily nonstop to New York Kennedy, with 31

additional single connect destinations in Africa and another 57 across the U.S. and Canada. CEO of the Nairobi-based airline is Allan Kilavuka. Delta also flies to Accra, Dakar, Cape Town, Johannesburg and Lagos.

**6. JetBlue, Air Serbia Announce New Codeshare Agreement.**

JetBlue and Air Serbia are codesharing on Air Serbia-operated nonstop flights from New York Kennedy and Chicago O'Hare to Belgrade's Nikola Tesla Airport. JetBlue plans to place its code on flights between Belgrade and points in Europe in the future. Air Serbia plans to add its code to 25 destinations throughout the JetBlue network. They have been interline partners since 2016. . . . JetBlue Airbus A321 LR service from New York Kennedy to Amsterdam Schiphol was set to begin on August 29; Boston to Amsterdam starts September 20.

**7. Only Adult Zone on Corendon Flights to Curaçao.**

Dutch airline Corendon will introduce an Only Adult zone on flights between Amsterdam and Curaçao, on November 3. The area is in the front section of the aircraft, has nine XL seats with extra legroom and 93 standard seats, and is separated from the rest of the aircraft by walls and curtains, "creating a shielded environment that contributes to a calm and relaxed flight."

## **IX. ASIA/PACIFIC AND MIDDLE EAST**

### **1. ANA to Launch AirJapan Brand in February.**

ANA Holdings will launch a new airline brand for medium-haul international routes in February. AirJapan will enter service with a Boeing 787-8 flight between Tokyo Narita and Bangkok, subject to approval of relevant authorities. The startup will “support the Japanese government's target of attracting 60 million foreign visitors to Japan by 2030.” AirJapan President is Hideki Mineguchi.

### **2. Cathay Pacific Expanding, Modernizing Fleet.**

Cathay Group announced its intent to purchase up to 32 Airbus A321neo and A320neo aircraft. The Group has already taken delivery of 13 of its initial order for 32 A321neos, placed in 2017. “We are committed to investing in the long-term future of the Group and the Hong Kong international aviation hub, which is expected to grow exponentially with the operation of the Three-Runway System,” said Group CEO Ronald Lam.

### **3. Qantas Adds U.S. Service.**

Qantas will add capacity on Melbourne-Los Angeles route by 20% with more A380 flights, from July 2024. Sydney-Los Angeles flights will increase from eight to nine per week, next July, operated with a mix of Boeing 787 and Airbus A380 aircraft. Sydney-Auckland-New York will increase from four per week to daily, next August. Qantas “has received three long-awaited Boeing 787s in recent months and is gradually able to return more of its Airbus A380s to service as they complete post-storage maintenance,” said CEO Cam Wallace. Qantas Group is at around 80% of pre-COVID international capacity levels, expected to reach 100% by March 2024. . . . In other news, the Australian Competition and Consumer Commission granted authorization for Qantas, Emirates and related entities (including Jetstar) to continue coordinating passenger and cargo operations until 2028. The networks cover routes between Australia and the UK/Europe, New Zealand, Asia, the Middle East and North Africa.

### **4. Etihad to Begin Boston Service in March.**

Etihad Airways will begin four weekly Boeing 787-9 Dreamliner flights from Abu Dhabi to Boston on March 31, with connections to cities in North America through its JetBlue partnership. Etihad also flies to Chicago, New York and Washington.



5. **Qatar Airways Increases New York Frequency.**

Qatar Airways will increase frequency to New York Kennedy from two to three daily flights on October 30. Connections between New York and 80 destinations are available through partners American, JetBlue and Alaska Airlines.

6. **Kuwait Airways to Serve Washington Dulles.**

Kuwait Airways will resume service to Washington Dulles in December, with three weekly Airbus A330-800neo flights. The airline also flies to New York.

7. **U.S.-China Weekly Flights to Double.**

See Section VII, item 1.

8. **U.S.-Mongolia Open Skies Agreement Signed.**

See Section VII, item 2.

## **X. AMERICAS**

### **1. Delta, LATAM Begin Sao Paulo-Los Angeles Service.**

The Delta-LATAM Joint Venture entered the Brazilian market with flights between Sao Paulo Guarulhos and Los Angeles, the only direct route between Brazil and Los Angeles. The LATAM-operated service allows connections with Delta to more than 20 U.S. destinations, including San Francisco, Las Vegas and Seattle. . . . Delta and investment firms Certares and Knighthead acquired a 95% share of Wheels Up, which offers membership-based and on-demand private jet services. In 2020, Delta Private Jets combined with Wheels Up.

### **2. American's Pilots Ratify New Agreement.**

American Airlines pilots, represented by Allied Pilots Association (APA), ratified a new four-year agreement, which, said the airline, "will deliver more than \$9 billion of compensation and quality-of-life benefits to American's 15,000 pilots." APA said the contract features \$1.1 billion in immediate, one-time payments and ratification bonuses; annual pay rate increases for the contract's duration; and enhancements to benefits and work rules. The contract becomes amendable on August 1, 2027, with a provision for next round of bargaining to begin as soon as November 2026. . . . American and JetSMART expanded their codeshare agreement to include the Chilean airline's flights from Lima to destinations in Peru. Created by Indigo Partners, which has investments in Wizz Air, Volaris and Frontier, JetSMART operates Airbus A320s from Chile and Argentina to 33 destinations in South America. CEO is Estuardo Ortiz.

### **3. United Acquires Land in Denver.**

United is buying 113 acres of land in Denver for \$33 million for expansion of pilot training capability and other uses. In May, United announced plans "to significantly grow its position as Denver's leading airline, adding 35 flights, six new routes, a dozen new gates and three clubs." . . . United agreed to a \$30 million settlement after a deplaning incident left a quadriplegic man in a vegetative state. The man went into cardiac arrest after a ramp supervisor "aggressively" and "forcefully" pushed him, laughed and refused help from a doctor. "Our top priority is to provide a safe journey for all our customers, especially those who require additional assistance or the use of a wheelchair," United said. "We are pleased to share that this matter has settled."

### **4. Southwest Preps for Winter Operations.**

"We continue to invest in a reliable operation," Southwest CEO Bob Jordan told employees, "coming out of the December [2022] disruption." Actions include increased availability of winter equipment; developing a winter ops playbook to

project operating rates in certain conditions; investments in deicing procedures; and adding staff at airports where extreme cold requires more frequent rotation for ground operations employees working outside. Customer service improvements include enabling passengers to update or cancel flights in a multi-passenger itinerary online, on-demand bag tracking, and more airport signage. . . . Southwest reached a tentative agreement with Transport Workers Union, giving ramp, operations, provisioning and cargo agents “well-deserved compensation increases.” Aircraft Mechanics Fraternal Association, voted in favor of a new collective bargaining agreement covering aircraft maintenance technicians, aircraft inspectors, maintenance controllers, training instructors, and ground support equipment technicians. It becomes amendable on August 16, 2027, and provides “industry-competitive compensation while continuing to support the needs of our operation.”

**5. Allegiant Maintenance Technicians Ratify New Contract.**

Allegiant and International Brotherhood of Teamsters ratified a two-year extension to an initial collective bargaining agreement covering maintenance technicians, stores employees and some administrative maintenance staff. The agreement provides significant increases in rates. The new amendable date is October 31, 2028.

**6. Avelo Launches Caribbean Service.**

Avelo will operate twice weekly Boeing NG 737 flights to San Juan, Puerto Rico, from Tweed-New Haven in Southern Connecticut, and Wilmington Airport near Philadelphia, in November. San Juan is Avelo’s first destination outside the continental United States. Introductory one-way fares started at \$99. Avelo began service in 2021 and will open a sixth base at Las Vegas’ Harry Reid in September. Chairman and CEO is Andrew Levy.

**7. BermudAir Launch Plans.**

BermudAir was set to launch seasonal Embraer E175 service, with flights from L.F. Wade International to Boston Logan and Westchester County, near New York City. Fort Lauderdale-Hollywood begins September 22. Bermuda's first carrier expects to establish year-round service after “filling seasonal service gaps,” said Founder and CEO Adam Scott.

**8. Teamsters Ratify UPS Agreement.**

The Teamsters ratified a five-year contract that raises wages for full- and part-time employees in small-package roles, creates more full-time jobs, and secures workplace protections. UPS pilots had planned to honor picket lines.

9. **U.S.-China Weekly Flights to Double.**  
See Section VII, item 1.
10. **U.S.-Mongolia Open Skies Agreement Signed.**  
See Section VII, item 2.
11. **Aer Lingus Adds Service to Denver, Minneapolis-St. Paul.**  
See Section VIII, item 3.
12. **American Adds European Routes.**  
See Section VIII, item 4.
13. **Delta Adds Dublin Service, Expands Kenya Airways Partnership.**  
See Section VIII, item 5.
14. **JetBlue, Air Serbia Announce New Codeshare Agreement.**  
See Section VIII, item 6.
15. **Only Adult Zone on Corendon Flights to Curaçao.**  
See Section VIII, item 7.
16. **Qantas Adds U.S. Service.**  
See Section IX, item 3.
17. **Etihad to Begin Boston Service in March.**  
See Section IX, item 4.
18. **Qatar Airways Increases New York Frequency.**  
See Section IX, item 5.
19. **Kuwait Airways to Serve Washington Dulles.**  
See Section IX, item 6.