



**Alaska**  
International Airport  
System  
*AeroNexus®*

# Alaska's International Airports

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*To Keep Alaska Flying and Thriving*



# Overview

- Alaska International Airport System Overview
- AIAS Strategic Planning
- ANC/FAI Master Plan Projects

# Anchorage International Airport

- **Three 10,500 foot runways**
- **60 Wide-Body Parking Positions**
- **CAT IIIb ILS**
- **24-7-365 Immigration, Air Traffic, U.S. Customs**
- **Multiple Fuel Suppliers / Ample Supply and Storage**
- **Fuel Hydrant System**



# Anchorage International Airport

- **Passengers: 5 million**
- **Cargo throughput: 2.6 million tons**
- **Widebody freighter movements: 49,400**
  - **An average of 136 landings and takeoffs per day**
- **Major gateway for FedEx and UPS**
- **Freighters operated for various business models**
  - **Integrators, scheduled, charter, single shipper, cargo transfer, ...**



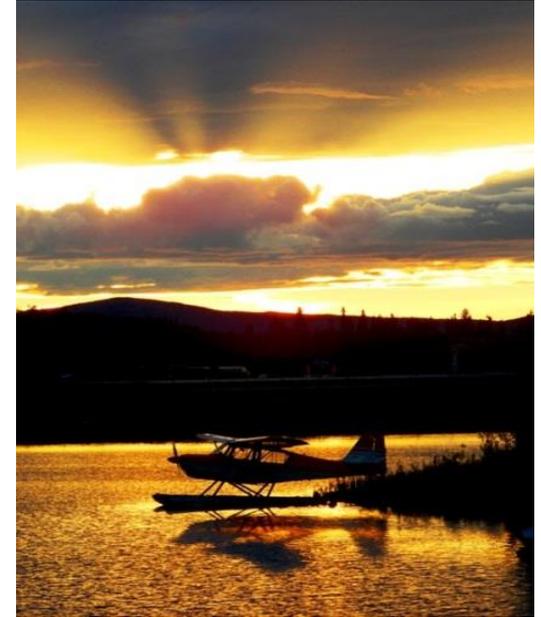
# Fairbanks International Airport

- One 11,800 foot runway
- CAT IIIb ILS
- 33 plus aircraft parking positions
- 97% VFR
- 24-7-365 Immigration, Air Traffic, Customs
- Ground service, deicing, catering for all size aircraft
- A convenient 1,065,800-square-foot Cargo Apron
- 5 Heavy Cargo Parking Positions



# Fairbanks International Airport

- **Passengers: over 1 million**
- **Vital Connection to rural Alaska**
- **Popular winter tourism destination and the gateway to Denali Park**
- **Premier cold weather testing location**
- **Active GA area of the airport with multiple surfaces including a 6,000 ft. runway, a ski strip in the winter, a gravel strip in the summer, and a float pond water strip**

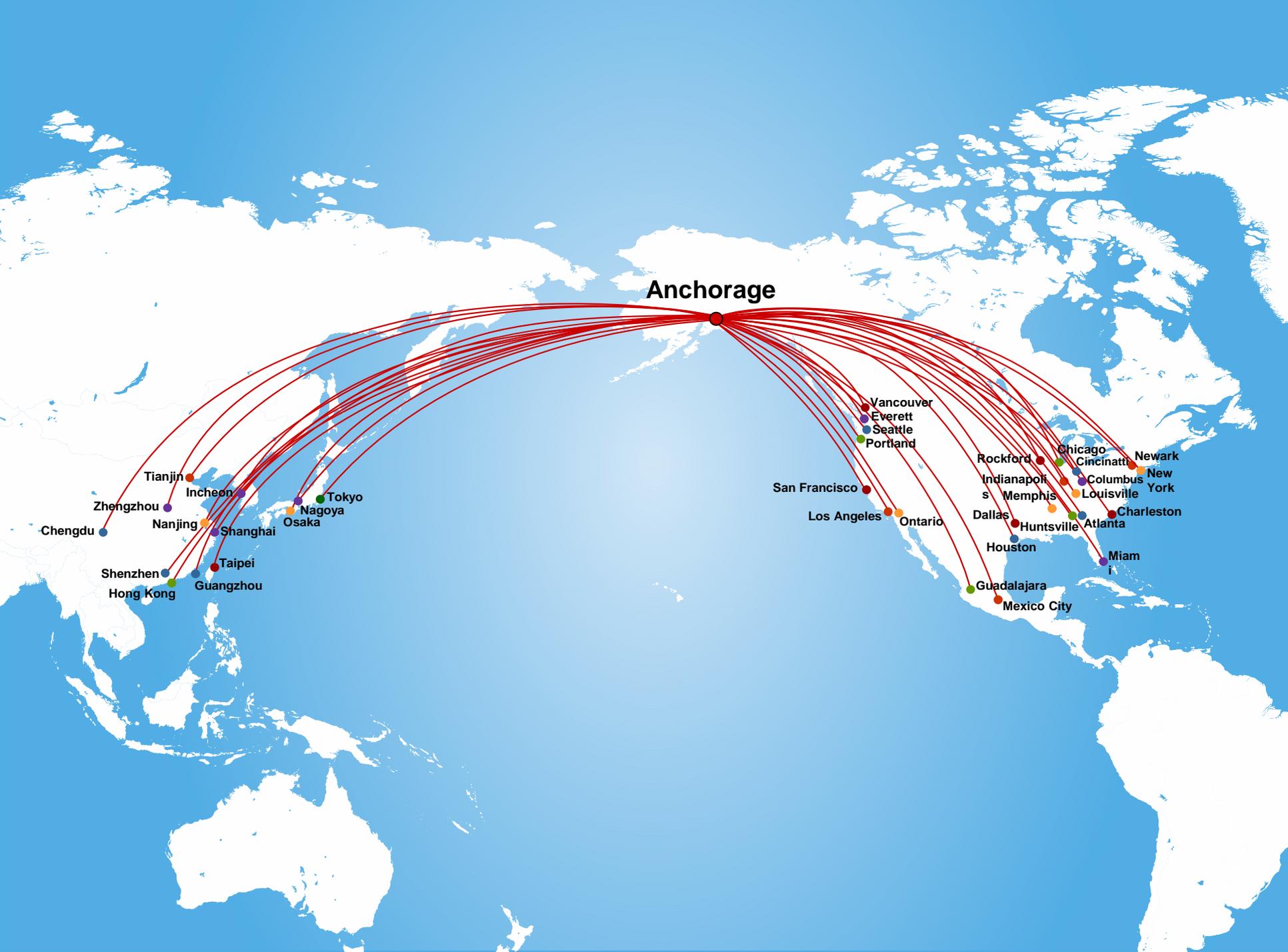


*9.5 hours from  
90% of the Industrialized World*



#### DISTANCES FROM ANCHORAGE

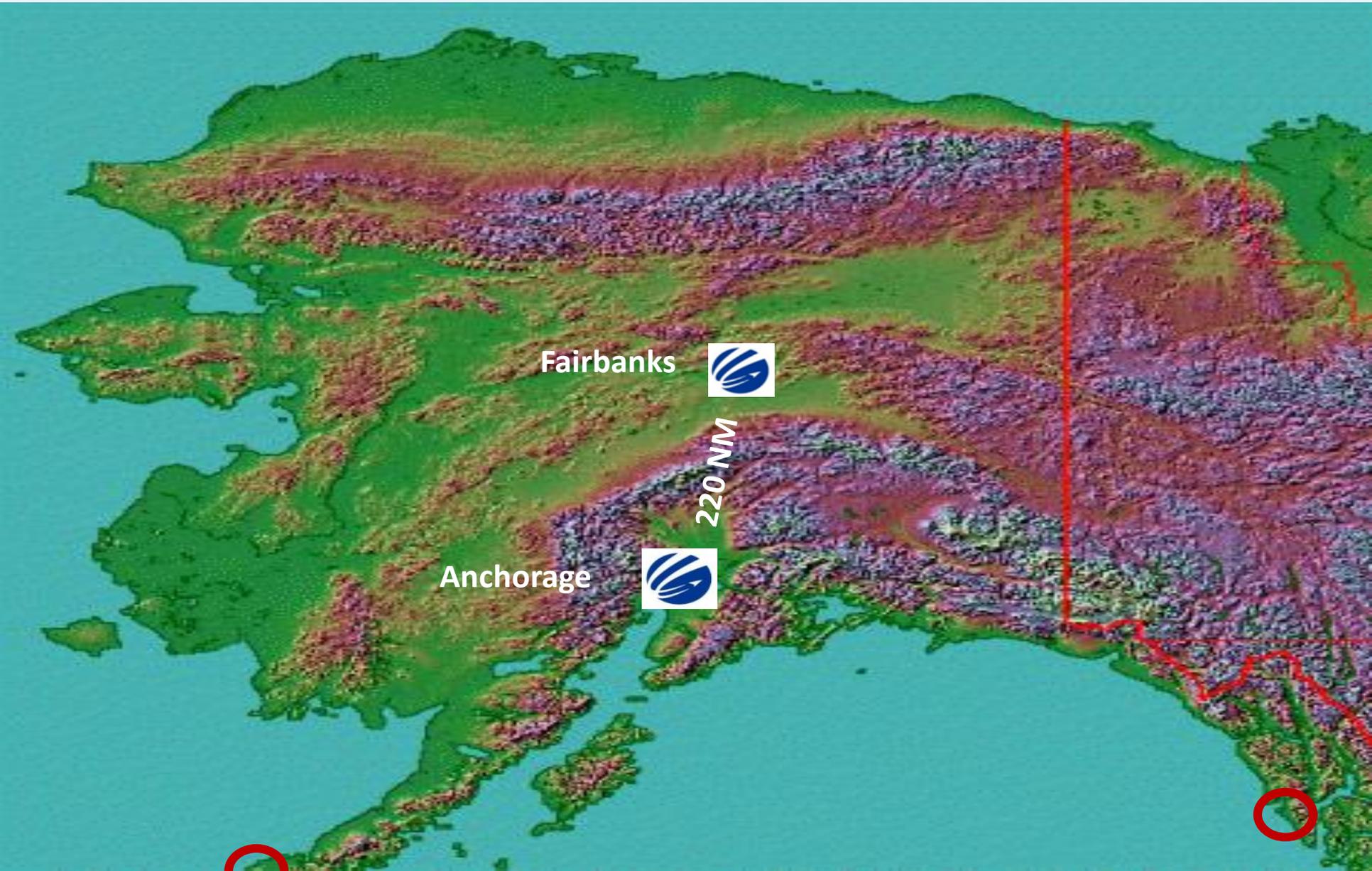
City	Nautical Miles
Singapore	5,821
Hong Kong	4,436
Taipei	4,080
Frankfurt	4,058
London	3,894
Moscow	3,793
Shanghai	3,771
Beijing	3,477
Seoul	3,301
Mexico City	3,259
Tokyo	3,030
New York	2,894
Honolulu	2,418
Los Angeles	2,011



# Anchorage

- Chengdu
- Zhengzhou
- Tianjin
- Incheon
- Nanjing
- Shanghai
- Taipei
- Guangzhou
- Shenzhen
- Hong Kong
- Osaka
- Nagoya
- Tokyo
- Vancouver
- Everett
- Seattle
- Portland
- San Francisco
- Los Angeles
- Ontario
- Rockford
- Indianapolis
- Memphis
- Dallas
- Huntsville
- Atlanta
- Chicago
- Cincinnati
- Newark
- New York
- Columbus
- Louisville
- Charleston
- Miami
- Guadalajara
- Mexico City

# Certainty



# Operating Agreement with Carriers

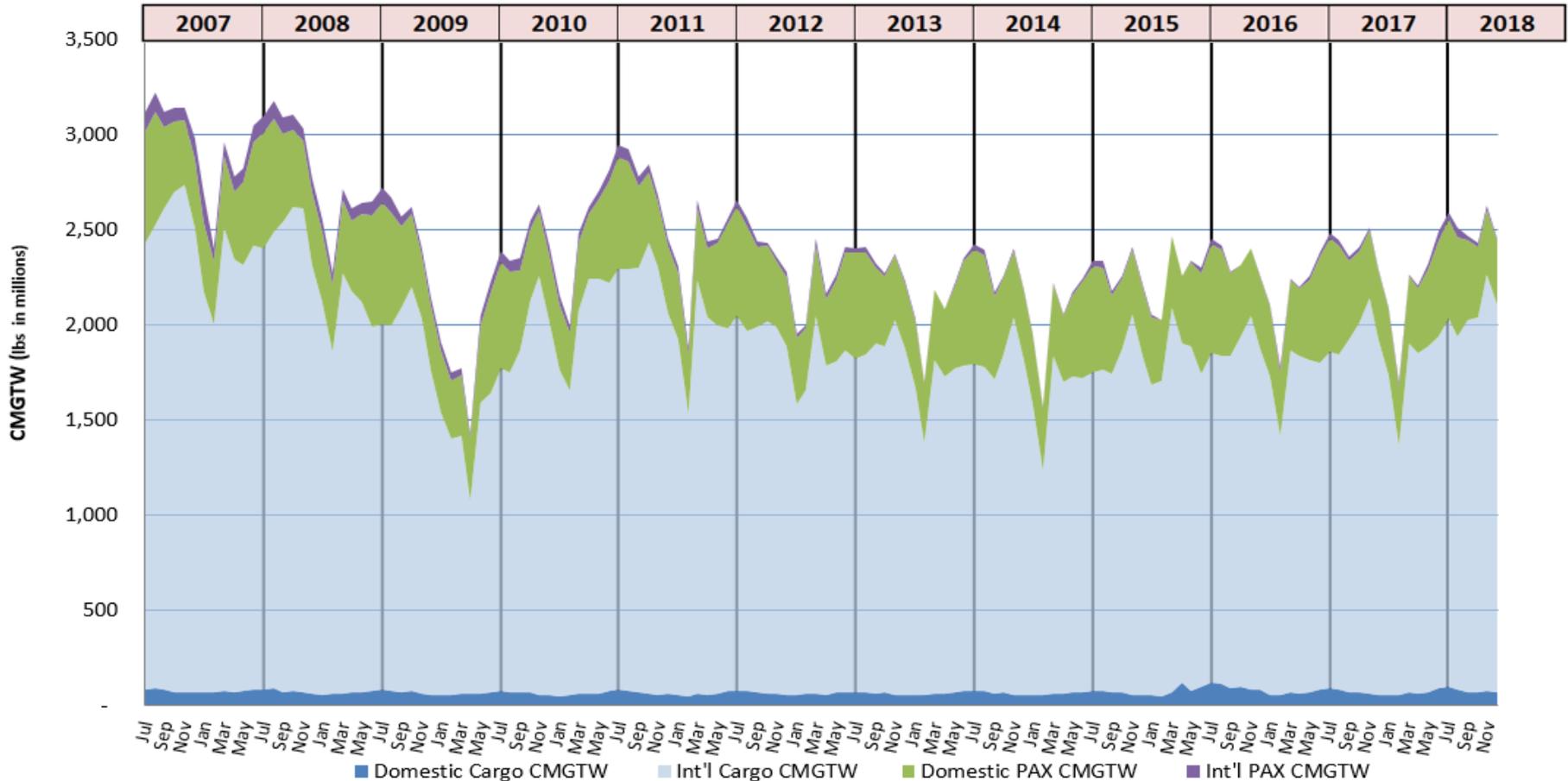
- **Ten-year Operating Agreement commenced July 1, 2013**
  - **31 Airlines are Signatory**
  - **Signatory Carriers**
    - **Share financial risk in exchange for capital and operating input**
    - **Discounted fees**
- **Signatory Carriers organize and engage AIAS as Airline Airport Affairs Committee (AAAC)**
  - **Co-chairs are representatives from UPS and Alaska Airlines**
- **AIAS has authority to issue revenue bonds**

# Cargo/Passenger Activity

## AIAS

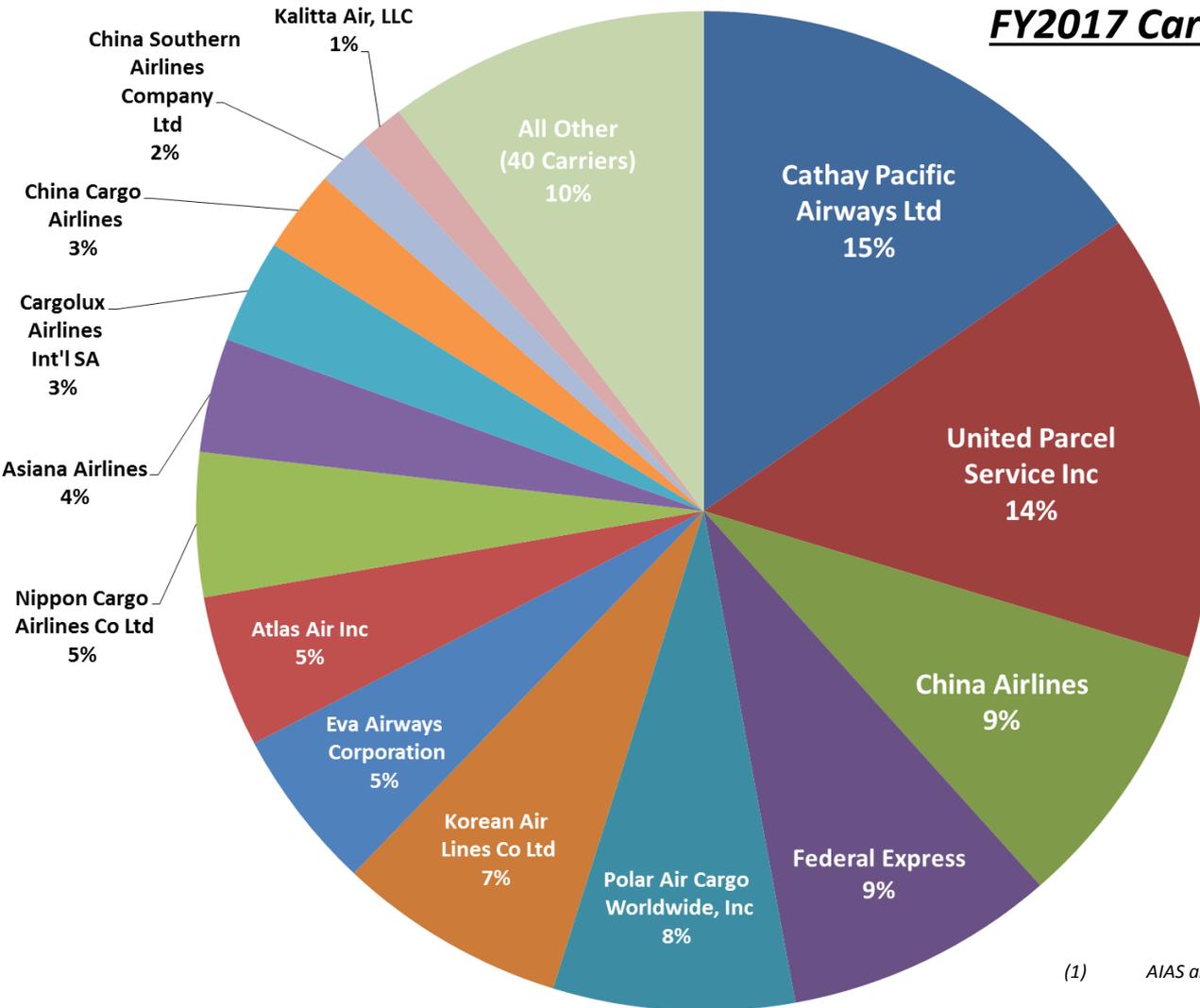
Monthly Cargo & PAX CMGTW  
 - Domestic & Int'l -  
 FY07 - FY18 ytd (Dec '17)

Chart Area



# Cargo Airline Customers

**FY2017 Carrier Market Share by CMGTW<sup>1</sup>**



- International cargo hub for FedEx, UPS, Korean Air, Nippon, China Airlines, Polar Air Cargo and Atlas Air
- Cargo-related revenues account for nearly two-thirds of AIAS revenues

(1) AIAS airline reported FY17 records. Totals may not add due to rounding.



# Asia Centric Cargo Market

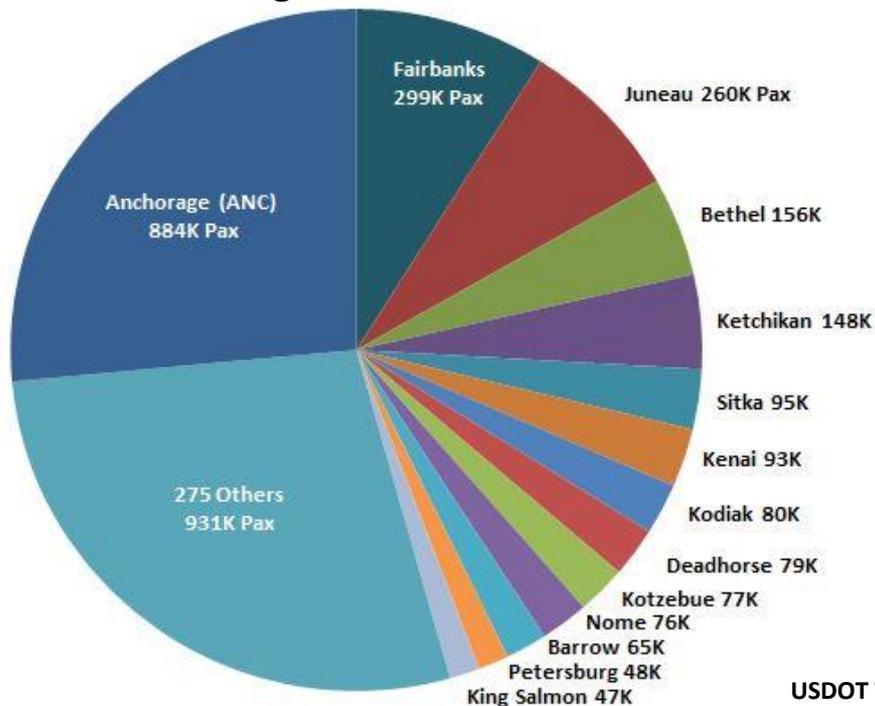
- **N. America - Asia cargo through AIAS expected to grow ~ 2-3%**
- **63% of all Asia-bound air cargo from U.S. goes through AIAS**
- **72% of all U.S.-bound air cargo from Asia goes through AIAS**
- **All Asia-North America cargo carriers have flights through AIAS**
- **Approx 80% of AIAS carrier generated revenue is cargo**
- **30% of China air cargo exports is carried by Chinese carriers (70% is carried by others)**

# Regional Activity

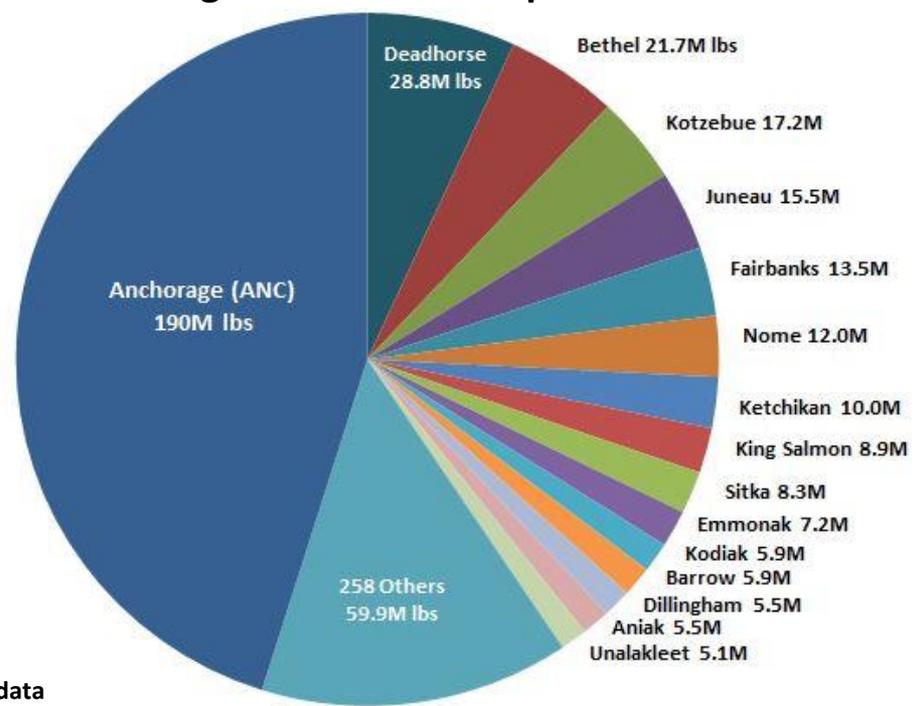
- Only 2% of Alaska's land area is accessible by road
- 82% of Alaska communities are not connected to the road system
- Year-round transport of people, freight and mail is primarily by air

## CY2016 Alaska Intrastate Movements - Airport of Origin

Passengers – 3.3 Million



Cargo – 420.8 million pounds



USDOT T100 data



# Strategic View

- 2010 Management Review
- 2011 Strategic plan and business focus
  - Ideology and culture
  - Internal improvements and strategic initiatives
  - Annual assessments
- 2013 System Planning Study w/Forecast
- 2014 ANC Master Plan and FAI Master Plan



# Mission

**Department of Transportation & Public Facilities**

***“Keep Alaska Moving through service and infrastructure.”***

**Alaska International Airport System**

***“To keep Alaska flying and thriving.”***

***Core Services:***

***Operate***

***Maintain***

***Develop***

***Alaska’s International Airports***



# Vision

**By 2030, AIAS is a global AeroNexus for aviation-related commerce**

- We will be a model government-owned enterprise, adaptive and agile
- We will proactively address global changes and world markets
- We will be a coveted place to work
- We will operate safely while striving for efficiency
- We will optimize our contribution to Alaska's economy and quality of life
- We will involve, value, and balance the interests of stakeholders



# Sustainment Themes

## Air Service Development

- Ongoing effort to increase offerings between Alaska and domestic markets
- Exploring partnerships and opportunities in Asia
- Airline Incentive Programs to support route development

## Facility Development

- Modest, airline-approved CIP
- Slow growth projected across businesses

## Rate Making

- Ten-year agreement reflects carrier commitment to AIAS
- Specific provisions to support continued development of cargo and international passenger businesses
- Debt restructuring

## Revenue Enhancement

- Specific programs to enhance non-aeronautical revenue

## Cost Management

- Strategic Planning Budget Initiatives
- New property management system



# Master Plan Projects

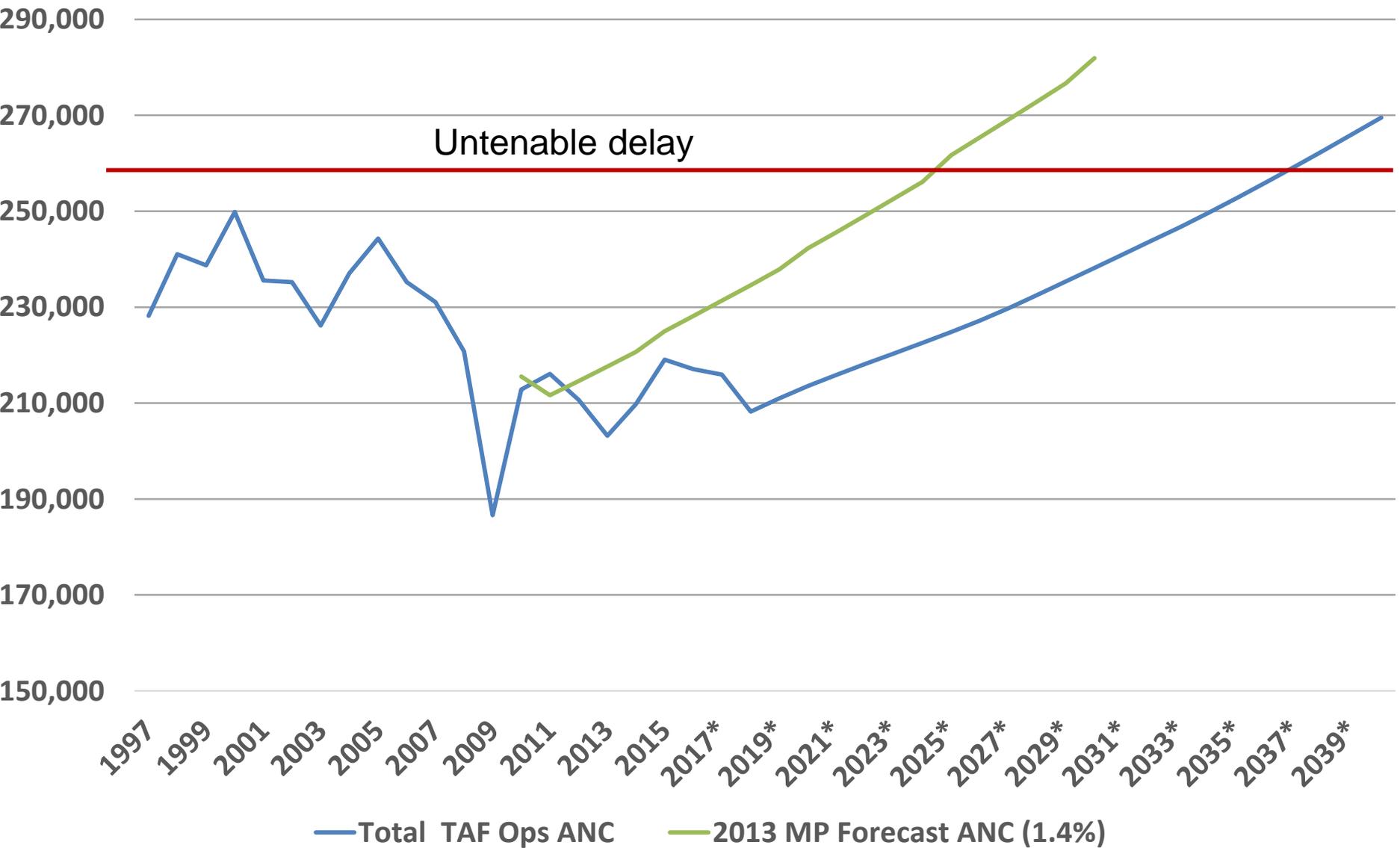
## ANC

- Pavement refurbishment projects
- Decouple Rwy15/33 from Rwy7L/25R and widen to 200ft
- Terminal gate congestion mitigation options
- Modifications to meet design standards
- Additional runway

## FAI

- Pavement refurbishment projects
- Security and safety upgrades
- Potential shift of parallel taxiway to accommodate Cat V low visibility operations

# ANC Forecast - Operations



# ANC Busy Period - Forecast Untenable Delay at 258,000 Operations

