

## Three-Hour Tarmac Delay Rule Does Not Increase Cancellations

New analysis by the Department of Transportation's Aviation Enforcement Office and Bureau of Transportation Statistics (BTS) continues to support the conclusion that the recently adopted 3-hour tarmac delay rule will not have a significant effect on airline flight cancellations.

As a result of several recent outside studies and media reports alleging a substantial increase in airline flight cancellations due to the new rule, the Enforcement Office and BTS have conducted a new review of available data to ascertain if there are any negative trends in cancellations. In reviewing these data and in announcing the results of their review, however, the Enforcement Office and BTS reiterate that the 6-months of comparative data currently available and reviewed is insufficient to reach any final conclusions on all the effects of the 3-hour rule. One thing, however, is absolutely clear – tarmac delays in excess of three hours and the aggravation, stress and hardship they have caused have virtually disappeared.

During the 6-month periods from May through October 2009 and 2010 for which comparable data are available, 3-hour or more tarmac delays went from 546 to 12. In fact, in October 2010 there were none. Perhaps even more important, the truly egregious, 4 and 5 hour tarmac delays of the past have disappeared. The 12 May through October tarmac delays exceeded the 3-hour limit only by minutes before the flights took off or returned to the gate.

With respect to flight cancellation data, the Enforcement Office and BTS have long maintained that industry-wide flight cancellation data, which many pundits point to as an indicator of a cancellation uptick, involve factors that are highly variable, primarily weather conditions, and thus are not particularly helpful in analyzing the impact of the 3-hour tarmac delay rule. Data recently released by FlyersRights Org. comparing 15-year average flight cancellation rates for each month from May through October and average cancellation rates for the May through October periods highlight that cancellation rate variability and show that the 2010 cancellation rates for those months are actually well below the averages.

The data that the Enforcement Office and BTS have long relied on as a better indicator of the possible impact on cancellations of the 3-hour tarmac delay rule is the difference in the number of flights that experienced 2-hour or more tarmac delays and then were cancelled. The rationale for looking at those flight cancellations are that they are virtually certain to be directly related to a lengthy tarmac delay. Looking at the May through October 2009 timeframe there were 224 flights that had 2-hour or more tarmac delays that were eventually cancelled, with 72 of those flights cancelled after experiencing tarmac delays of more than 3 hours. During the May through October 2010 time frame there were 230 flights with 2-hour tarmac delays that were cancelled, with only 7 being cancelled just a few minutes after 3 hours. Clearly this six flight difference does not reflect a cancellation problem caused by the tarmac delay rule and so far is well within the cancellation estimates made by the Department's economists when the tarmac delay rule was adopted.

Notwithstanding these preliminary results, the Department recognizes that the 2-hour tarmac delay flight cancellation data discussed above do not take into account the possibility that carriers may be

factoring in the 3-hour tarmac delay rule in deciding to cancel flights before they sit on the tarmac for 2 hours or even before they are scheduled to depart the gate. Carriers began the practice of pre-departure cancellations in the face of expected travel disruptions long before the 3-hour tarmac delay rule went into effect. In this regard, carriers routinely monitor weather, air traffic congestion and other relevant conditions (e.g., emergency runway closures for repairs) and cancel flights even long in advance of scheduled departure times when there is a good likelihood that all the flights scheduled will not be able to operate or operate on time. This allows for more orderly rescheduling of aircraft and crews and more convenient re-accommodation of affected passengers. In an effort to account for how the 3-hour rule may be affecting these carriers' proactive cancellation policies, the Enforcement Office and BTS have reviewed a new expanded set of comparative cancellation data for the 2009 and 2010 May through October periods.

In the new data set, the Department first looked for each flight that experienced a 2-hour tarmac delay. It was then assumed that, if any airport on any given day experienced more than one 2-hour tarmac delay, this situation was reflective of a weather/congestion or other problem that could have resulted in proactive carrier cancellations with respect to flights departing or scheduled to arrive at that airport that day. Data were then collected for all cancellations of flights relating to that airport that day and the data were compiled for all airports. Since carriers report the causes of cancellations in general categories, the Department was able to remove flights cancelled for reported reasons not likely to be related to the 3-hour tarmac rule (i.e., security or air carrier caused.) Finally, flights scheduled to operate to an airport, on the date in question, that were diverted and eventually cancelled were then added to the total numbers of flights being compared. These data showed that in the May through October 2009 time frame there were 8,696 flight cancellations reported by carriers , both proactive and

after tarmac delays at airports, on days with serious weather/congestion issues. During the same period in 2010, there were only 7,120 such cancellations.

In conclusion, the Departments data analysis provides preliminary confirmation that the 3-hour tarmac delay rule is a quantifiable success in eliminating egregious tarmac delays, and current data do not support the conclusion that flight cancellations have been exacerbated as a result of the rule's adoption. In fact, the data tend to show the opposite.