

# NEWS



DALLAS FORT WORTH INTERNATIONAL AIRPORT  
PUBLIC AFFAIRS DEPARTMENT  
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FOR IMMEDIATE RELEASE  
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## **DFW International Airport Reaches New 10-Year Use Agreement with Airlines**

### **New pact replaces original Use Agreement from 1974**

(DFW AIRPORT – Oct. 19, 2010) – DFW International Airport has signed a new Use Agreement with its partner airlines, setting the financial groundwork for the Airport’s operations over the next ten years. The new Use Agreement replaces the original 35-year Use Agreement, which had been in place since the Airport’s inception in 1974.

“This new Use Agreement gives DFW and its partner airlines a solid set of financial expectations for the next decade,” said Jeff Fegan, CEO of DFW. “It not only modernizes the business partnership between our airport and the airlines, it also clears the way for DFW to initiate the renovation program for our four original terminals.”

The new Use Agreement expires September 30, 2020.

The agreement changes DFW’s business model from a “residual” model to a “hybrid” model. The biggest difference is that DFW retains the net revenues from non-airline sources (e.g., parking, concessions, commercial development, and car rentals), while the airlines pay the net operating costs of the airfield and terminals through landing fees and terminal rents, respectively. In the past, the airlines received the benefit of non-airline revenues and there was a year-end “settlement” to ensure that total revenues equaled total expenses.

Under the terms of the Agreement, DFW gains approval of the new Terminal Renewal and Improvement Program (TRIP) in the amount of \$1.74 billion (current year dollars), plus \$220 million (net of grants) of additional capital projects for the next five years. The airlines also approved the debt financing required to fund those programs.

The airlines, in turn, benefit from having a predictable and competitive cost structure from DFW over the next ten years.



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“Although airline costs will rise over the next ten years as DFW borrows money to fund the TRIP, DFW will remain one of the lowest-cost large hub airports in the country,” said Chief Financial Officer Chris Poinatte. “This was very important to the airlines during the negotiations.”

The agreement also includes two Capital Accounts. The Joint Capital Account will require airline approval to use, and will be funded largely by natural gas and land sale proceeds and supplemented with the issuance of debt. The DFW Capital Account will be used at DFW’s discretion for renewal and replacement of existing Airport assets and will be funded from the net revenues from non-airline sources.

Under the terms of the Use Agreement, American Airlines will continue to maintain Terminals A and C, and there will be new maintenance standards applied to all the terminals. DFW will assume the operating and maintenance costs for the Skylink people mover system.

American Airlines, DFW’s largest airline partner, has signed the agreement. DFW expects all of the other airlines to sign by December 31, 2010.

### **About DFW International Airport**

Located halfway between the cities of Dallas and Fort Worth, Texas, DFW International Airport is the world's third busiest, offering nearly 1,750 flights per day and serving 57 million passengers a year. DFW provides non-stop service to 141 domestic and 42 international destinations worldwide. For the past four years in a row, DFW has ranked in the top five for customer service among large airports worldwide in passenger surveys conducted by Airports Council International. For the latest news, real-time flight information, parking availability or further details regarding the many services provided at DFW International Airport, log on to [www.dfwairport.com](http://www.dfwairport.com).

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