

Summary Financial Impacts of Delay Due to the Deployment of Construction Cranes at TED Project

- Delayed operations cost the airlines several billion dollars in additional expense every year. Increased delays at PHX, due to the deployment of construction cranes during the TED project, are significant.
 - Yearly delay increase estimates at PHX would cost the airlines a low of \$2.8 million in 2024 to a high of \$21.0 million in 2030.

Year	Annual Flight Count	Delay Increase (Minutes)		Additional Cost to Airlines (\$Mil)	
		Low	High	Low	High
2024	475,467	0.08	0.15	\$2.8	\$5.3
2026	533,918	0.16	0.29	\$6.3	\$11.5
2028	556,854	0.22	0.38	\$9.1	\$15.7
2030	578,274	0.29	0.49	\$12.5	\$21.0

- The increase in delay also has an impact on passenger costs in the form of lost productivity and wages. Using the value of time, as defined by the FAA at \$47 per hour;
 - The average cost to PHX passengers due to increased delay would range from a low of \$3.6 million in 2024 to a high of \$26.9 million in 2030.

Year	Annual Flight Count	Delay Increase (Minutes)		Average Cost to the Passenger (\$Mil)	
		Low	High	Low	High
2024	475,467	0.08	0.15	\$3.6	\$6.8
2026	533,918	0.16	0.29	\$8.1	\$14.7
2028	556,854	0.22	0.38	\$11.6	\$20.1
2030	578,274	0.29	0.49	\$15.9	\$26.9

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- Increased delay can also lead to the overall reduction in capacity at PHX. Air service plays a significant role in stimulating local and regional economies.
 - An estimated reduction in the annual operations at PHX between 3,300 to 5,900 in 2030, would eliminate a significant amount economic impact in the PHX Metropolitan area. Using standardized economic modeling, Arthur D. Little estimates \$148 million to \$264 million would be removed from the PHX economy as a result of the loss of nonstop service.

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