



MANCHESTER-BOSTON REGIONAL AIRPORT: AIRPORT UPDATE AND STRATEGIC OBJECTIVES

PRESENTATION TO:
SOUTHERN NEW HAMPSHIRE REGIONAL PLANNING COMMISSION
BOARD OF COMMISSIONERS

MANCHESTER, NEW HAMPSHIRE
APRIL 23, 2024



PRESENTATION AGENDA

▪ Market Update and recovery

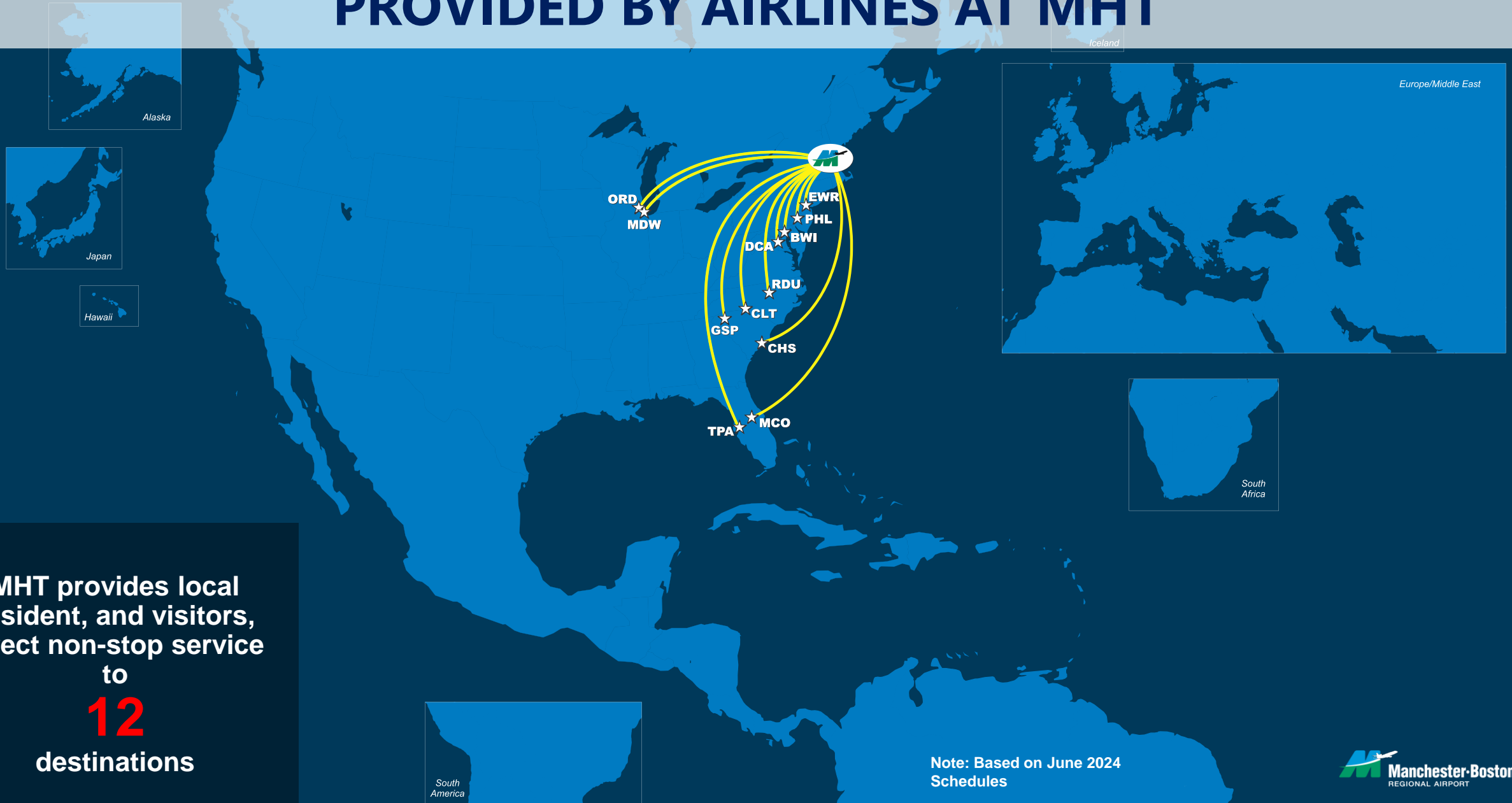
- The *perception* of the connectivity we provide vs. the *reality*
- Myth busting some tired old tropes
- Two new carries and an expanding one!
- Join our newsletter and be “in the know” about happenings at MHT

▪ Strategic Objectives

- Overview of Pandemic-induced Strategic Plan
- Overview of current Strategic Initiatives
 - *Airport Electrical Master Plan Study*
 - *Airport Carbon Accreditation Study*

▪ Q&A

POPULAR PERCEPTION OF THE LEVEL OF CONNECTIVITY PROVIDED BY AIRLINES AT MHT



MHT provides local resident, and visitors, direct non-stop service to **12** destinations

Note: Based on June 2024 Schedules

BUT THIS IS THE ACTUAL LEVEL OF CONNECTIVITY WE PROVIDE!



...and

237

global destinations via
convenient one-stop
connection are available
out of MHT!

TOP 50 MARKETS FOR OUR TRADE AREA IN Q3 2023

We offer lower fares than BOS in 55% of the Top 50 markets our trade area demands



PROUD TO ANNOUNCE OUR NEWEST AIRLINE!

Initial discussions with Sun Country began in Spring 2022. MSP represents our furthest westward destination.



AND NOW FLYING MHT IS A BREEZE!

Pride themselves on being seriously nice people and putting the "EZ" back into travel! Very tech-centered.



- **Founded by serial aviation executive, Mr. David Neeleman.**

- Created five successful airlines including JetBlue Airways.
- If you like JetBlue, you will love Breeze!

- **Three types of seats on board:**

- Nice: 30" seat pitch, 18" seat width
- Nicer: 33" seat pitch, 18" seat width
- Nicest: 39" seat pitch, 20.5" seat width, ultra-wide arm rest

- **2X2 seating in Nicest seating, 2x3 seating configuration in remainder.**

- Windows with serious views: 11"x16"



**ON
SALE
NOW!!**



**New flights
beginning
June 14th, 2024**

June 14th

Orlando, FL
Charleston, SC (*seasonal*)

September 5th

Tampa via BreezeThru in
CHS

October 2nd

Ft. Myers, FL (*seasonal*)





"Nice" Seats



"Nicer" Seats



"Nicest" Seats



WHAT COMES WITH THE TICKET MAY SURPRISE YOU

While Breeze is an ultra-low cost airline, they have “bundled their de-bundled” fees, some of which include bags!



Breeze
SERIOUSLY NICE™

Breeze	No Flex Fare	Nice Bundle	Nicer Bundle	Nicest Bundle
BreezePoints Earn	1X	2X	5X	5X
Advanced seat assignment	\$	\$	Extra Legroom seat	Breeze Ascent seat
Personal item Under the seat	✓	✓	✓	✓
Carry-on bag Overhead bin	\$	✓	✓	✓
Checked bag	\$	\$	1	2
Boarding Zone	Last	General	Priority	Priority
Flight changes allowed Fare difference may apply		✓	✓	✓
24-month reusable credit if cancelled	Partial	Full	Full	Full
Inflight WiFi	\$	\$	✓	✓
Inflight snacks and drinks	\$	\$	\$	✓

\$ = Available for purchase

✓ = Included

PROUD TO ANNOUNCE OUR NEWEST DESTINATION

There is a cultural tie between Manchester and Greenville with strong weekly visitations between the markets



<https://www.visitgreenvillesc.com/>

<https://www.visitspartanburg.com/>

HELLO, Avelo!



Manchester, NH /
Boston, MA (MHT)

Raleigh /
Durham, NC (RDU)

Greenville / Spartanburg, SC (GSP)

*Restrictions Apply. See AveloAir.com for details.

Announcing flights to **Greenville / Spartanburg, SC!**

Fares from
\$62
One way*

Flights Start
May 10th

ONLY 11 OUT OF 378 PRIMARY COMMERCIAL AIRPORTS HAVE BOTH AVELO AND BREEZE – AND MHT IS ONE OF THEM!

The average 2023 passenger onboards for airports served by both Avelo and Breeze (excluding LAS, MCO, and TPA) was 3,147,557 which is 5 times larger than MHT. In fact, MHT is 50% smaller than the smallest airport with both (GSP).

Q: What do you think is leading to this decision?

A: OPPORTUNITY!

If you are a start up, you are looking for markets that either have perennial demand (LAS, MCO) **OR** are in high growth regions (Carolinas) **OR** have tremendous untapped upside potential (MHT)

Las Vegas

Manchester

Raleigh/Durham

Greenville

Myrtle Beach

Charleston

Savannah

Orlando

Tampa
Sarasota

Ft. Myers

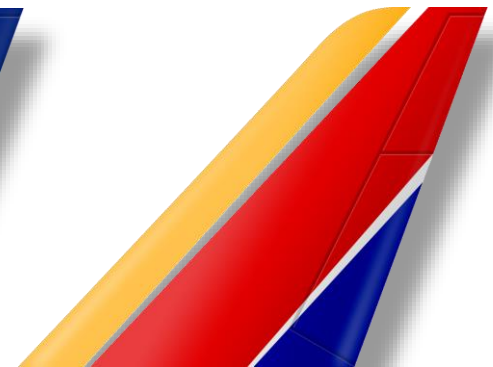
Source: Airline Data Inc.

THIS IS PERHAPS A ONCE-IN-A-LIFETIME OPPORTUNITY BEING PRESENTED TO THIS MARKET...



THERE ARE 13 US CERTIFICATED CARRIERS...WE HAVE 7!

We have a wonderful mix of carriers: two global network carriers, one low cost, and four ultra-low cost!





**SIGN UP FOR
SAVINGS AND
AIRPORT NEWS!**





AIRPORT STRATEGIC OBJECTIVES

AIRPORT STRATEGIC OBJECTIVES (APRIL 2020)

Pandemic caused a shift in our strategic objectives, but we are ready for a new strategic plan



Increase Business Intelligence

- ✓ Increase our technology posture to meet changing guest needs.
- ✓ Develop and monitor core KPIs.
- Use technology to enhance social distancing in the terminal.
- ✓ Increase tenant coordination to fully understand emerging trends in guest needs.



Increase Consumer Intelligence

- Implement smart technologies (IoT) to monitor flows and stagger facility utilization.
- Understand our guest and move towards a “virtual velvet glove.”
- ✓ Increase analytical capabilities to uncover customer needs before they know it is a need.
- ✓ Create a new definition of “safe” by understanding consumer expectations of clean and disinfected facilities.



Customer Relationship Management

- ✓ Invest in CX to allow targeted investments that enhance guest experience by filling in service gaps.
- Understand High Value Guest (HVG) by conducting recurring focus groups to gain insight into their concerns and expectations.
- ✓ Meet evolving guest expectations and ensure underlying business models and physical plant are able to respond.



Increase Airport Oversight

- ✓ Enhance cleaning and disinfecting by auditing internal capabilities.
- ✓ Enhance employee training by establishing minimum training requirements for contracted employees.
- ✓ Increased regulatory compliance to ensure the Airport is ready to implement public health guidelines.
- ✓ Increased contract compliance by reviewing current contracts for compliance and include new SLAs.



Enhance Ecosystem Resilience

- ✓ Increase **airport resilience** through NIMS/ICS training.
- ✓ Increase **employee resilience** by minimizing face-to-face interactions.
- ✓ Increase **financial resilience** by applying for CARES Act funding and track need for additional federal funding should recovery take longer than expected.
- ✓ Increase **passenger resilience** by continuing to respond to the terminal via our Suspect Disease protocol to ensure passenger and patient safety.

AIRPORT STRATEGIC INITIATIVES

Projects underway that will help inform an update to our Master Plan

- **Electrification of the Airport**
- **Airport Carbon Level I Accreditation Plan**
- **Deicing System Evaluation**
- **Airport Brand Audit**
- **3-year Strategic Plan**
- **Airport Economic Impact Study**
- **Airport Master Plan Update**





AIRPORT ELECTRIFICATION STUDY

WINNER

TRAVEL+
LEISURE

WORLD'S
— BEST —
AWARDS
2023

PURPOSE OF THE ELECTRIFICATION MASTER PLAN

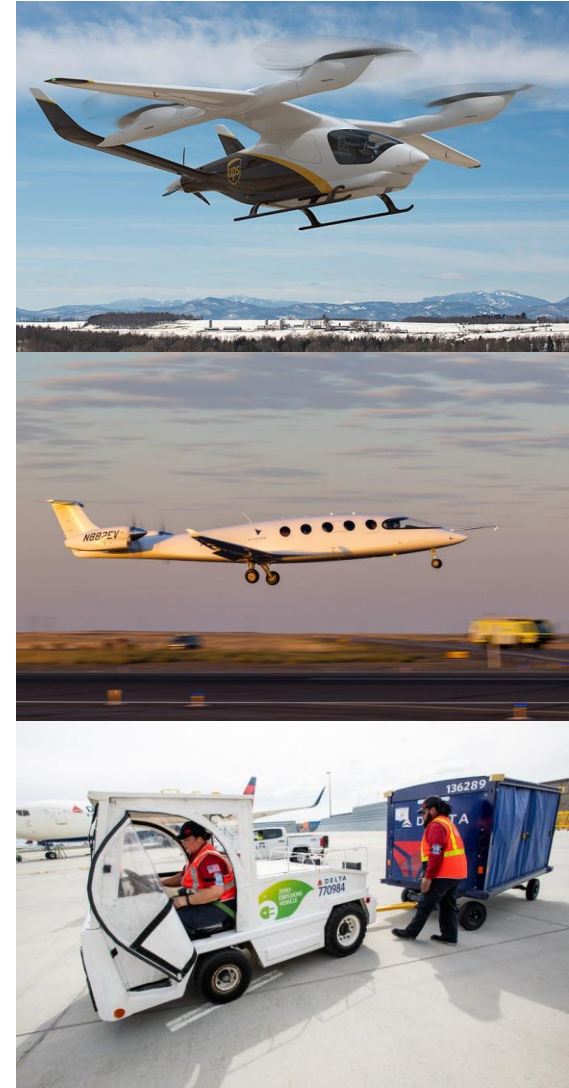
A wholistic view of energy demand

- **The objective of this study is to quantify long-term demand to inform effective policy decisions and implementation before demand manifests.**
- **Anticipating the demand increase resulting from transportation electrification, the critical questions I was debating included:**
 - How significant will this increase be?
 - Is our airport prepared to embrace this change?
 - Can we accommodate the potential level of demand?
 - What will be the financial implications? Who will share in the costs, and is there a cost-sharing plan?
 - What adjustments to our business models are necessary? How do we identify, strategize, and negotiate these changes?
- **Our Airport Planning consultant, AECOM, is finalizing the Electrification Master Plan in collaboration with our partners at Eversource.**

DRIVERS OF FUTURE DEMAND

The entire aviation ecosystem is quickly adopting electrification as a path towards Net Zero goals

- **It's important to recognize that airports are inherently multi-modal facilities.**
- **The pursuit of Net Zero goals is driving the adoption of electrification across the entire aviation ecosystem, encompassing:**
 - **Vehicles:** Electric-powered personal vehicles (ePOVs), rental car fleets (eRACs), rideshare vehicles, taxis, and buses.
 - **Aircraft:** Including eVTOL, eCTOL, and electric turboprop aircraft like Eviation's Alice, slated for entry into service by 2027.
 - **Ground Support Equipment (GSE):** Such as electric belt loaders, tugs, and pushback tractors.
- **These technologies are gaining momentum regionally, with notable players like Cape Air, UPS, Avis, and Hertz.**



FORECASTED ELECTRICAL DEMAND AT MHT

Adoption rates, and electrical grid capacity, will play a key role in determining actual future loads

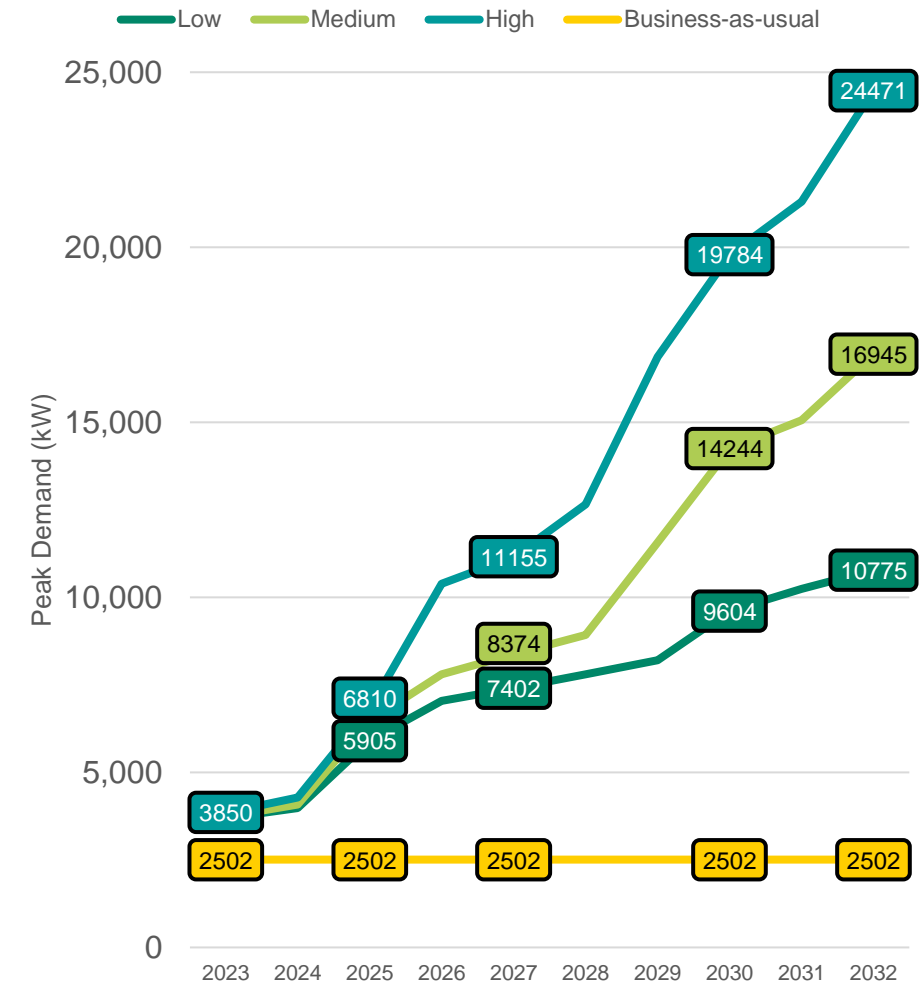
- The study findings suggest a potential long-term demand ranging from 3.8 megawatts to 24.5 megawatts.

- Our airport's base load currently stands at 2.5 megawatts.
- Considering we have ePOV charging stations in our hourly lot, the forecast base is closer to **2.7 megawatts**.
- **This high scenario represents a potential nine-fold increase in demand.**

- In our development roadmap, we plan to establish an ePOV parking lot equipped with DC fast charging (DCFC) capabilities.

- ePOVs DCFC lot would need to use a future valet service to minimize amount of infrastructure required.

Electrical Demand Forecast Scenarios
(Simultaneous Loads)

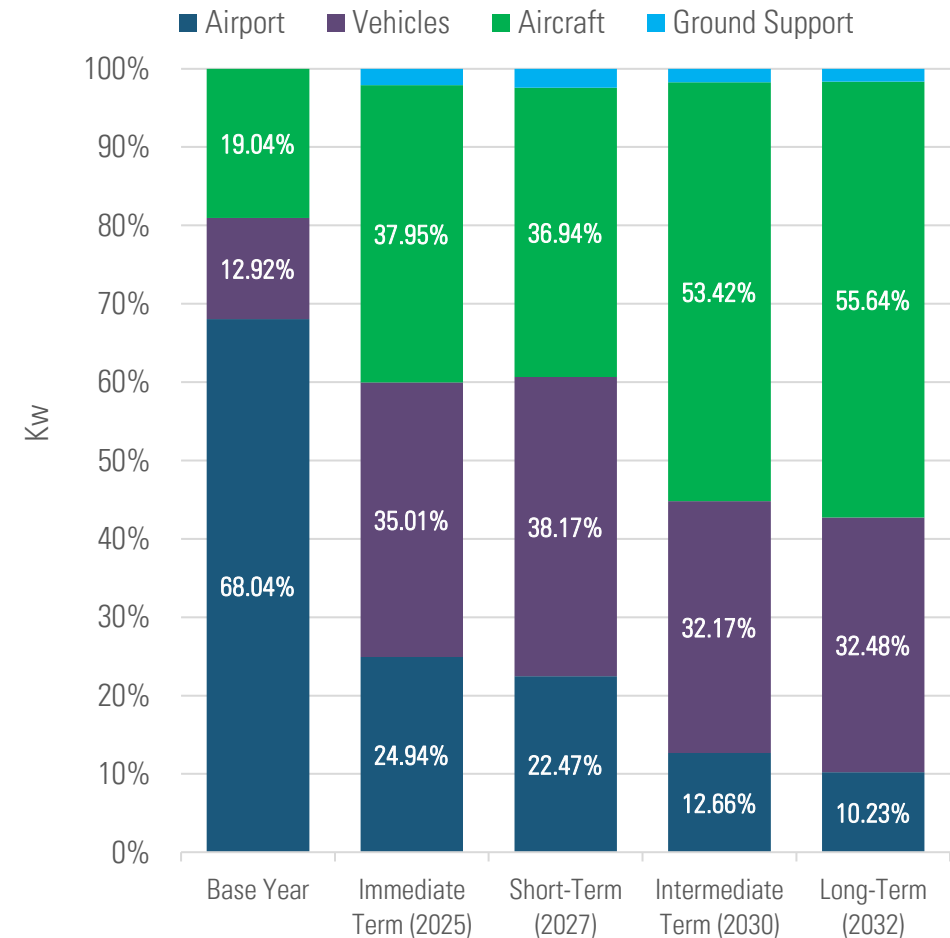


HIGH SCENARIO: SHARE OF DEMAND BY USER GROUP

One can clearly see the change in user group driving airport electric demand

- **Currently, the airport's base load represents 68% of total electrical demand.**
 - As electric ground transportation modes become more prevalent and we transition towards an electrified aircraft fleet, we anticipate a significant reduction in the share of total electrical demand represented by our base load.
- **Demand from ePOV and eRACs will experience rapid growth in the near term, stabilizing at around a 30% share for the remainder of our planning horizon.**
- **By 2030, electric aircraft are projected to account for over 55% of our total electrical demand.**

Percentage of Airport Electrical Demand by User Group (High Scenario)



BUNDLING OF MITIGATION STRATEGIES WERE STUDIED

We wanted to understand what "mix of strategies" provided the most optimal mitigation to peak demand

- To all the Gen Xers and Baby Boomers here, think of this like the classic mileage charts in our old Rand McNally Atlas.
- Implementing Smart Charging alongside the expansion of our Solar PV program, results in an impressive 44% reduction in demand.
 - Smart Charging on its own achieved a significant peak demand reduction of 36%.
 - The combined use of Smart Charging and Solar delivered **\$32.4 million** in net savings over a 10-year period.

Mitigation Strategies	Valet	Smart Charging	Solar PV	BESS
Valet	0%			
Smart Charging	-42%	-36%		
Solar PV	-2%	-44%	-2%	
BESS	-29%	-29%	-31%	-27%



AIRPORT CARBON ACCREDITATION

WINNER

TRAVEL+
LEISURE

WORLD'S
— BEST —
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AIRPORT CARBON ACCREDITATION EFFORTS

There will be a rapid changeover in societal rejection of GHG emissions occurring in next two decades

- **There is a growing societal awareness of climate change.**
 - We believe this is intensifying the pressure on airports and airlines to address GHG emissions related to aviation.
 - Acknowledging this shift in mindset, reducing our GHG emissions is a critical strategic priority for the airport.
- **The ACA Study provides a clear quantification of our Scope I and Scope II emissions.**
 - Looking ahead, we may pursue additional accreditation that includes specific methods to reduce our environmental footprint.



OVERVIEW OF AIRPORT CARBON ACCREDITATION

Program was established by the European chapter of the Airports Council International (ACI-Europe)

- **The ACA program represents the premier global standard for carbon management tailored specifically for airports.**
 - ACA establishes a unified framework for proactively managing carbon emissions with clear, measurable milestones.
 - ACA offers adaptable solutions to accommodate diverse national and local regulatory landscapes while maintaining a rigorous methodology.
- **The program features six distinct accreditation tiers, providing airports with a structured pathway towards excellence in carbon management.**

+ **MAPPING**
Footprint measurement



+ **REDUCTION**
Carbon management towards a reduced carbon footprint

+ **OPTIMISATION**
Third party engagement in carbon footprint reduction

+ **NEUTRALITY**
Carbon neutrality for direct emissions by offsetting

+ **TRANSFORMATION**
Transforming airport operations and those of its business partners to achieve absolute emissions reductions

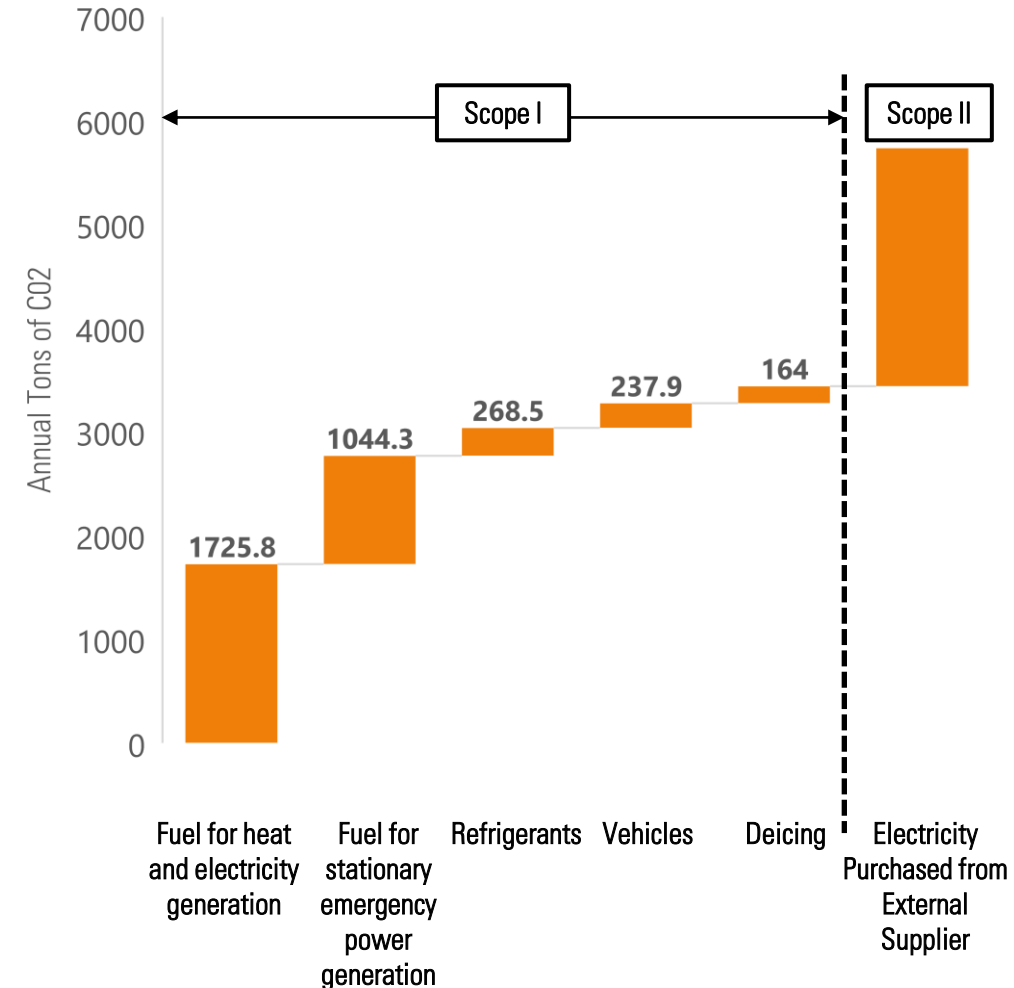
+ **TRANSITION**
Compensation for residual emissions with reliable offsets

AIRPORT CARBON ACCREDITATION MAPPING RESULTS

Final stage is working with a 3rd party verifier and submit to ACI ACA program

- **AECOM has completed mapping exercises that now requires third-party verification prior to submission to the ACA program.**
- **Results:**
 - Year 15 reporting period (CY 2022), MHT recorded **5,737 tons** of carbon dioxide emissions
 - Scope I emissions accounted for **3,440 tons**, representing 60% of our total carbon footprint, while Scope II emissions reached 2,300 tons, comprising the remaining 40%.
- **Moving forward, our focus will be on "controlling the controllables," starting with a detailed examination of our Scope I emission sources.**

MHT Scope I and Scope II GHG Emissions for Reporting Year 15





SHOP.EAT.**FLY.**

LOCAL

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your contacts!



Connect with
me on LinkedIn!

