



Vanguard Eagle

San Diego Chapter  **TWA**  **January 2018**

Annual Membership Donation (per single or couple - includes newsletter subscription) ----- \$ 20.00

Please submit membership donations to Kay Bays, Vanguard Treasurer, 5038 September Street, SD, CA 92110



Have a Happy New Year



---December 5th Vanguard Meeting---

We enjoyed another Christmas party at the Holiday Inn. This year we actually had 33 reservations, one more than we had last year. But I was told that 4 people were unable to attend due to illness. Bruce Craig was our Holiday entertainment and although his Harmonica did not perform up to his standards, his story of the little old lady driving her car with her grandson was a big hit with the attending Vanguards. We had two winners of the 50/50 drawing, Ruth Annunziata and Louise Oliverio were the lucky Vanguards.

---The New Year 2017---

Now that you are struggling to pay your bills we will add our request that you make a \$ 20 dollar donation (for Individuals or Couples) to the San Diego Vanguards. This money is needed to pay our yearly fee for the San Diego Air and Space Museum. Send your donation check to our Treasurer **Kay Bays, 5038 September Street, San Diego, CA, 92110** or bring cash or a check to our next Vanguard meeting at the Air and Space Museum and give it to Kay personally.

---Terminal One at Lindbergh Field---

Last July (2016) we had Angela Jamison a representative from the Airport Planning Authority give us the plans to rebuild Terminal one of Lindbergh Field. It was slated to begin in the Summer or Fall of 2017. Sadly not much has been done so far and the reason for this is, as always, money. On 7 December 2017 there was an article in the Union Tribune regarding the Terminal 1 rebuilding. I will reprint it for you on pages 3 & 4 of this newsletter. The push is to increase the **Passenger Facility Charge (PFC)** from \$ 4.00 per passenger to \$ 8.00 or \$ 8.50 per passenger. That would bring in a lot of money to do the rebuilding. But from past experience, we have had "temporary taxes" imposed which were never removed when the bills get paid. There would be new reasons to keep the tax and use it for further rebuilding or other purposes. Once a tax is imposed, it hardly ever gets repealed. At any rate, if you are interested, check out pages 3 and 4 and read the U-T article.

---Volunteering for Vanguard Office---

We are asking any of you, who might be interested, to think about taking an officer's position in our Vanguard chapter. The present officers have been in harness for many years now and would love to have a replacement candidate. The work is not especially hard. It is basically just helping out your fellow retirees with a willing attitude. If you are inclined to do that, let Irene Garrett know.



---Vanguard Beach Clean-Up---

We had no beach clean-up in December because of the holiday preparations that kept many members away. For January, we should have our appointment calendar open again so the monthly beach clean-up at Ventura Cove is scheduled for **January 16th, 2018**. A mystery chef will provide the entree. We meet at 10 a.m. You will need to bring with you gloves and a plastic bag or bucket for trash plus a plate and silverware and a beverage of your choice. Bring your favorite treat and join us for Lunch. We recommend getting a Pick-up Stick to avoid bending excessively while cleaning the beach. **Please check with Irene Garrett at (619) 464-1250** before you come out to make sure we have enough members attending. In San Diego we are blessed with a warm climate and lots of sunshine, so we have few cancellations. It is a good opportunity to get some fresh air and sunshine.

---Roster Change---

Please copy or cut and paste the following change into your Roster booklet:

Jeanne Blatt
2792 Country Club Way
Montrose CO 81401

TEL: 619-490-0617

---Vanguard Cities Website in Las Vegas---

If you want to see what some of the other Vanguard chapters are doing, you can go to the Las Vegas site of the National Vanguards. Our newsletters are posted there as well.

<http://www.aavanguardscities.com/Pages/default.aspx>

Happy Birthday Vanguards



Jan 2 - **Richard Roberson**

Jan 3 - **Richard Smith**

Jan 5 - **Phil Cooper**

Jan 7 - **Rose Elrod, - Bill Lunt**

Jan 11 - **Ruth Annunziata – Anthony Mitchell**

Jan 14 - **Louise Oliverio**

Jan 18 – **Edward Gibson, Virginia Goddard**

Jan 21 – **John Bjork**

Jan 22 – **Rochelle Wilson, Mary Jane Delaney**

Jan 24 – **Laura Albo**

Jan 28 – **Sam Wilson**

Jan 31 – **Steve Jahn**

The article below describes the problem with Terminal 1 rebuilding.

**By JOE TERZI & MARK CAFFERTY
7 Dec 2017 San Diego Union Tribune**

When you think about the region's economic prosperity — today and tomorrow — all roads lead to San Diego International Airport. Tourism, business, global trade, the innovation economy, even the defense sector all depend on it. Last year, our airport served almost 21 million passengers. Terminal 2, expanded several years ago, is a welcoming stage for San Diego. Yet Terminal 1 — now 50 years old and used by Southwest, Frontier and Alaska Airlines — not so much. That is why the Airport Authority is refining the Airport Development Plan, which includes replacing Terminal 1. But there is a catch — paying for it. Right now, congressional action to lift the cap on the **Passenger Facility Charge (PFC)** is being debated — again — and it is essential for our airport and for our region. The San Diego County Regional Airport Authority is the airport owner and operator, and it has been busy making a stream of improvements over the past decade. These include the expansion of Terminal 2, a central receiving and distribution center, new general aviation facility, new rental car center using a new on-airport roadway to access the terminals, a parking structure and new international arrivals facility under construction, and much more. **Those projects have stretched the Airport Authority's bonding to capacity, making it difficult to complete the replacement of Terminal 1 without additional revenues.**

Airports are enterprises that are not supported by tax dollars. They are essentially self-supporting and have to earn the money they spend on operations, maintenance and improvements. The Federal Aviation Administration simply doesn't have the funds for the nation's airport improvement needs, estimated at more than \$100 billion over the next five years. **Our airport only gets \$3.5 million a year in Airport Improvement Program funding and that is committed to airfield and safety uses, and cannot be used for the replacement of Terminal 1.**

Without getting into the minutiae of airport funding, consider just the expansion of Terminal 2, opened in August 2013. The total cost was more than \$900 million and most of that is being funded via the PFC over the next several decades. Replacing Terminal 1 and the related projects may cost closer to \$2 billion. That should make painfully clear how crucial raising the PFC will be for San Diego.

Domestic airlines oppose any increase, yet they all want the best possible facilities to provide the best possible customer experience. Airlines argue that this is one more tax increase, which it is not. It is a user fee. If you use the airport facilities, you pay; if you don't, you don't pay. Airlines argue that passengers won't be able to afford this increase, a maximum of \$4, which is minimal compared to bag fees, seat assignment fees, early boarding fees and so on — and a tiny percent of the cost of a ticket. And while airlines may argue that airports have other sources of revenues, it is clear that with improvement project needs in the billions to replace aging infrastructure 1, **there is just not enough money to go around.**

The PFC was last increased in 2000 and its buying has decreased dramatically even as construction costs have increased just as dramatically. In reality, the funds needed to replace the seriously antiquated Terminal 1 can only come from one of two sources: an increase in the PFC or increases in airline fees, which would undoubtedly be passed on to air travelers in the form of higher ticket prices.

The Senate Appropriations Committee voted to raise the PFC cap to \$8.50 in July. It's about time this proposal — which has been bandied about for years — is getting some traction. Previous discussions focused on including a PFC increase in the FAA reauthorization bill, which never happened. It is being considered as part of the fiscal year 2018 omnibus appropriations process that House Speaker Paul Ryan, R-Wisconsin, has said should be completed this month. Because it might be considered this calendar year, it is time for our congressional delegation — and their colleagues who all depend on the economic engines called airports within their districts — to act. If we want a new Terminal 1, if we want continued prosperity, if we want San Diego to remain globally competitive and have the airport the region deserves, then we must tell our members of Congress to lift the cap on the PFC. The time to act is now.



The above map is one of the proposed plans for Terminal One. The area on right is where the new gates are to be built. The center area would continue to operate during construction but would be torn down when the new gates are complete. The old gates would then be torn down to build a new international terminal and parking garage.

---Boeing, Avolon Agree on \$ 11 Billion 737 Order --- 20 Nov 2017 Airwise

Boeing and aviation lease company Avolon have finalized an order for 75 737 MAX planes in a deal worth just under \$11 billion dollars at list prices. The firm order from Dublin-based Avolon is for 55 737 MAX 8s and 20 MAX 10s, plus options on 20 additional MAX 8s. The order was initially announced as a memorandum of understanding at the Paris Air Show in June.

“This is the largest single order that we have placed with Boeing to date... We have experienced strong interest in our initial MAX orders and this incremental order reflects this demand,” Avolon’s chief executive Dómhnaí Slattery said. The leaser has over 140 MAX aircraft in its fleet or on order. Boeing has taken just under 4,000 net orders for the 737 MAX series, with 34 delivered by the end of October.

---Airbus A350-1000 Gets Type Certification--- 21 Nov 2017 Airwise

The Airbus A350-1000 has received Type Certification from European and US aviation regulators, paving the way for delivery to airlines. The European Aviation Safety Agency (EASA) and the US Federal Aviation Administration (FAA) formally presented the certificates to Airbus on Tuesday. Airbus said it will deliver the first A350-1000 to launch customer Qatar Airways before the end of the year. Qatar has ordered 37 A350-1000s and 39 of the smaller A350-900. It already has 22 -900s in service. The A350-1000 is the larger of the two A350s Airbus offers. It can seat up to 440 passengers, but most airlines will fly it with a capacity of around 370-380. Airbus completed its certification testing in under a year, from its first flight in November 2016.

“Receiving the A350-1000 Type Certification from EASA and FAA less than one year after its first flight is an incredible achievement for Airbus and for all our partners who have been instrumental in building and testing this superb wide-body aircraft,” Airbus COO Fabrice Brégier said. “We now look forward to deliver the first aircraft to Qatar Airways by the end of the year.” Airbus has received orders for 169 A350-1000s from 11 airlines.

---JAL Invests In Boom Supersonic Jet--- 5 Dec 2017 Airwise

Japan Airlines (JAL) has announced a strategic partnership with Boom Supersonic, a company developing **a new-generation supersonic passenger aircraft**. JAL said it has invested \$10 million dollars in Boom and will collaborate with the company on aircraft design and “help define the passenger experience for supersonic travel.” The airline has also taken options on up to 20 Boom aircraft through a pre-order agreement. “Through this partnership, we hope to contribute to the future of supersonic travel with the intent of providing more ‘time’ to our valued passengers while emphasizing flight safety,” JAL president Yoshiharu Ueki said. **Denver-based Boom** is developing a 55-seat passenger plane, designed to fly at Mach 2.2, over twice the speed of sound, and slightly faster than the only previous supersonic airliner to enter widespread commercial service, Concorde. “We’re thrilled to be working with JAL to develop a reliable, easily-maintained aircraft that will provide revolutionary speed to passengers,” Boom’s chief executive Blake Scholl said. “Our goal is to develop an airliner that will be a great addition to any international airline’s fleet.”

The three-engined aircraft has a design range of 4,500 nautical miles (8,334 km) and Boom is aiming to achieve an ETOPS rating to allow greater flexibility for over-water flying. It will cost around \$200 million dollars, plus options, at 2016 dollar values. **Boom expects its first aircraft, the XB-1, to fly sometime in 2018, and the launch of commercial supersonic flights “in the early 2020s”**. The company says **operating cost per seat-mile will be comparable to subsonic business class**. UK airline Virgin Atlantic already has options for 10 of the aircraft, and an unnamed European carrier has options on 15 more, Boom has said.

---Qatar Airways Upgrades A320neo Order---

7 Dec 2017

Airwise

Airbus announced an upgraded Qatar Airways order, as the Middle East carrier swapped its existing 50-plane A320neo deal for 50 of the larger A321neos. The A321s, due to be delivered from 2019, are worth \$6.35 billion dollars at list prices. Qatar Air said in a tweet that it was “delighted to announce that it has reconfirmed and upsized an order to buy 50 Airbus A321neos.” As well as the Airbus model switch, Qatar has opted for CFM International LEAP-1A engines rather than the competing Pratt & Whitney PW1100G geared turbofans in its previous order. The Pratt & Whitney engines have suffered a number of reliability issues which caused significant delivery delays for A320neos, although updated engines are now being supplied to Airbus and deliveries are recovering. “To answer our need for growth and additional capacity, the A321neo ACF is a world-class choice for our passengers and for our business. Qatar Airways is the fastest growing airline in the world and with this aircraft we will operate the youngest fleet whilst delivering unprecedented comfort and services to our customers,” Qatar chief executive Akbar Al Baker said. The A321neo ACF (Airbus Cabin Flex configuration) includes door and fuselage changes that allow airlines to make better use of cabin space and provides additional fuel capacity for extended range.

---Ryanair To End Amadeus Partnership---

8 Dec 2017

Airwise

Ryanair will end its partnership with global distribution system operator Amadeus on December 15 after they were unable to negotiate terms for a commercial agreement renewal. The Irish airline said it will continue to service travel agents through its existing GDS partnerships with Travelport and Sabre. Ryanair’s chief marketing officer Kenny Jacobs thanked Amadeus for its support during their GDS partnership, and said they will continue to work together through the Navitaire platform. The LCC renewed an agreement with Amadeus unit Navitaire earlier this year for its distribution, digital and departure control platforms. The contract runs until 2025. Jacobs said customers will continue to be able to book directly on the airline’s website ryanair.com.

---British Airways To Close Two Pension Schemes---

8 Dec 2017

Airwise

IAG unit British Airways announced it is closing its defined benefit pension scheme next year and replacing it with a new defined contribution scheme. BA said in a statement the changes “are aimed at addressing the rising cost of future pension provision,” with the NAPS defined benefit scheme operating with a deficit of £2.8 billion British pounds (\$3.75 billion dollars) at its last valuation in March 2015. The defined benefit scheme, the New Airways Pension Scheme (NAPS), has about 47 percent of the airline’s active UK employees. It was closed to new participants in 2003.

NAPS was replaced by a defined contribution scheme, the British Airways Retirement Plan. BARP, which has 52 percent of BA’s UK employees in it, will also close next year. NAPS and BARP will be replaced in April 2018 by a “flexible benefits scheme incorporating a new defined contribution pension scheme,” the airline said “following consultation with its trade unions and employees.” Active NAPS members will be offered a choice of transition arrangements including a cash lump sum, additional company pension contributions or additional pension benefits in NAPS prior to its closure. The overall financial impact on British Airways will depend, in part, on the transition arrangements members select.

---Delta Resumes Normal Flying Out of Atlanta---

9 Dec 2017

Airwise

Delta Air Lines has returned to normal operations in Atlanta after a winter storm dumped snow on the city’s airport causing over a thousand flight cancellations on Friday.(8 Dec) The airline cancelled 25 additional flights for Saturday as some parked aircraft needed additional de-icing as temperatures dropped into the low 20s overnight. Total system-wide cancellations for Saturday are running around 375, just over a third of Friday’s 1,000-plus total.

---easyjet Gets EU Approval For Air Berlin Asset Purchase--- 1 Dec 2017 Airwise

UK airline easyJet has received unconditional approval from the European Commission for its acquisition of parts of failed German carrier Air Berlin. The Commission said in a statement that the transaction would not adversely affect competition in the EU single market. The €40 million Euro (\$47 million dollar) deal will significantly increase easyJet's presence in Germany, with the takeover of part of Air Berlin's operations at the capital's Tegel Airport.

The deal includes leasing former Air Berlin aircraft and acquiring Tegel Airport landing slots. easyJet will also employ about 1,000 ex-Air Berlin crew members to operate the 25 Airbus A320s it will fly from Tegel. The Commission ruled that the Air Berlin slots easyJet will acquire at congested German airports, and particularly Berlin, are "unlikely to have a negative effect on passengers." easyJet will continue to face strong competition from large carriers such as Lufthansa and Ryanair on routes to and from Berlin it said.

Air Berlin filed for insolvency in August, with a deadline for bids for the sale of its assets by mid September. In addition to the easyJet bid, Lufthansa agreed to buy a large part of Air Berlin's assets, including its NIKI and LG Walter units. The Commission is investigating Lufthansa's offer under EU merger rules, with the first phase to be completed by December 21.

---NIKI Flights Grounded As Lufthansa Abandons Takeover--- 13 Dec 2017 Airwise

Austrian low cost carrier Niki has ceased flying after Lufthansa dropped its offer to buy the airline from its insolvent parent Air Berlin. Lufthansa agreed to acquire Niki and regional carrier LG Walter for €210 million Euros (\$248 million dollars) in October, but the deal is being examined by the European Commission on competition grounds. Lufthansa said in a statement it had offered "extensive commitments", including releasing some airport slots, but the Commission "considers this to be insufficient."

The Commission has "clearly indicated that an acquisition of Niki and its integration into the Eurowings Group would currently not be approved," the airline said, and that "based on this assessment, a takeover of Niki by Eurowings is no longer being pursued." Niki's website had a simple message on it saying the airline will cease flying as of December 14th. Niki said several airlines are looking at solutions to bring passengers back to Germany, Austria and Switzerland from foreign destinations. Lufthansa said it will go ahead with its plans to acquire the parts of Air Berlin already agreed with its administrators, **excluding Niki**. The LG Walter acquisition is still being considered by the European Commission, but Lufthansa said it is willing to "give up numerous slots in order to obtain merger clearance." On Tuesday easyJet received European Commission approval for its takeover of parts of Air Berlin, including aircraft and landing slots at Berlin's Tegel Airport. easyJet said it will employ about 1,000 ex-Air Berlin crew members to operate its new flights from Tegel.

---Delta Picks Airbus A321neo In \$12,7 Bn Dollar Order--- 14 Dec 2017 Airwise

Delta Air Lines has ordered **100 Airbus A321neos** in a deal worth \$12.7 billion dollars at list prices. The purchase agreement, which includes options on another 100 A321neos, will see deliveries start in 2020 and run through to 2023. The A321neo ACF (Airbus Cabin Flex configuration) aircraft will be powered by Pratt & Whitney's geared turbofan engines, in a win for the United Technologies unit after a tough few years it has had over the engine's performance and reliability. Delta said it will configure the A321neos in a 197 seat configuration, with 20 in First Class, 30 in Delta Comfort+ and 147 in the main cabin. Chief Operating Officer John Leahy said many of the new aircraft will be built at Airbus's US manufacturing base in Alabama.

**San Diego Vanguards
c/o Kay Bays
5038 September Street
San Diego, CA 92110**

**Next Meeting
JANUARY 2nd, 2018
10:15 AM
SAN DIEGO AIR & SPACE
MUSEUM**