

November 5, 2020

Sent Via E-Mail to:

Paul.Smith@caa.co.uk

Economicregulation@caa.co.uk

Paul Smith
Group Director of Consumers and Markets
Civil Aviation Authority

RE: Airline Community Response to the CAP1966 CAA Consultation

Dear Paul:

Thank you for the opportunity to respond to CAA's CAP1966 Consultation. As the 3rd largest airline operating at Heathrow, American Airlines and our customers are greatly impacted by any proposal that makes travel more costly.

The London (Heathrow) Airline Consultative Committee (LACC) and the Heathrow Airline Operators Committee (AOC) submitted a comprehensive response on behalf of the Airline Community regarding the principles and outcomes that we believe CAA policy should aim to address. American Airlines is fully supportive of that response, and we believe it covers very well the reasons why it is appropriate for CAA to reinforce the initial finding that even partial relief should not be granted to HAL.

In summary, there is no evidence to suggest that service quality for consumers would suffer without a revenue adjustment. Furthermore, a reopen of the RAB right now would:

1. Go against the principles set out in Q6;
2. Reward investors, who have already been compensated to bear risk, over consumers; and
3. Provide new capital to an entity that has ready access to capital, has made a conscious decision to leverage higher, and is in much better financial shape than airlines or consumers

As should be evident by now, the Community feels very strongly about this matter. We appreciate your attention to the points we raised and look forward to an outcome that benefits consumers.

Respectfully,



Walter Weems
Senior Manager, Properties & Airport Affairs

cc: Rhett Workman – AA Managing Director, Europe & Asia Operations
Robert Wirick – AA Managing Director, International Government Affairs
Cesar Marchese – AA Director of Operations, LHR Airport