



2009 Economic Outlook Economics Society of Northern Alberta

A New Day At EIA

December 4, 2008



EDMONTON INTERNATIONAL AIRPORT

Agenda

- **Who we are**
- **Aviation Industry**
- **Growth**
- **Looking ahead**
 - **Expansion**
 - **Port Alberta**

Who we are



EIA

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Who we are

- **Edmonton Airports operates:**
 - Edmonton International Airport
 - Edmonton City Centre Airport
 - Villeneuve Airport
 - Cooking Lake Airport
- **Governed by a 15-member board**

“We'll move you” brand



Air service success story

- **Over 50 non-stop destinations**
- **Emerging hub status**
- **More northern destinations than any other Canadian airport**
- **Growing global awareness**



Aviation Industry



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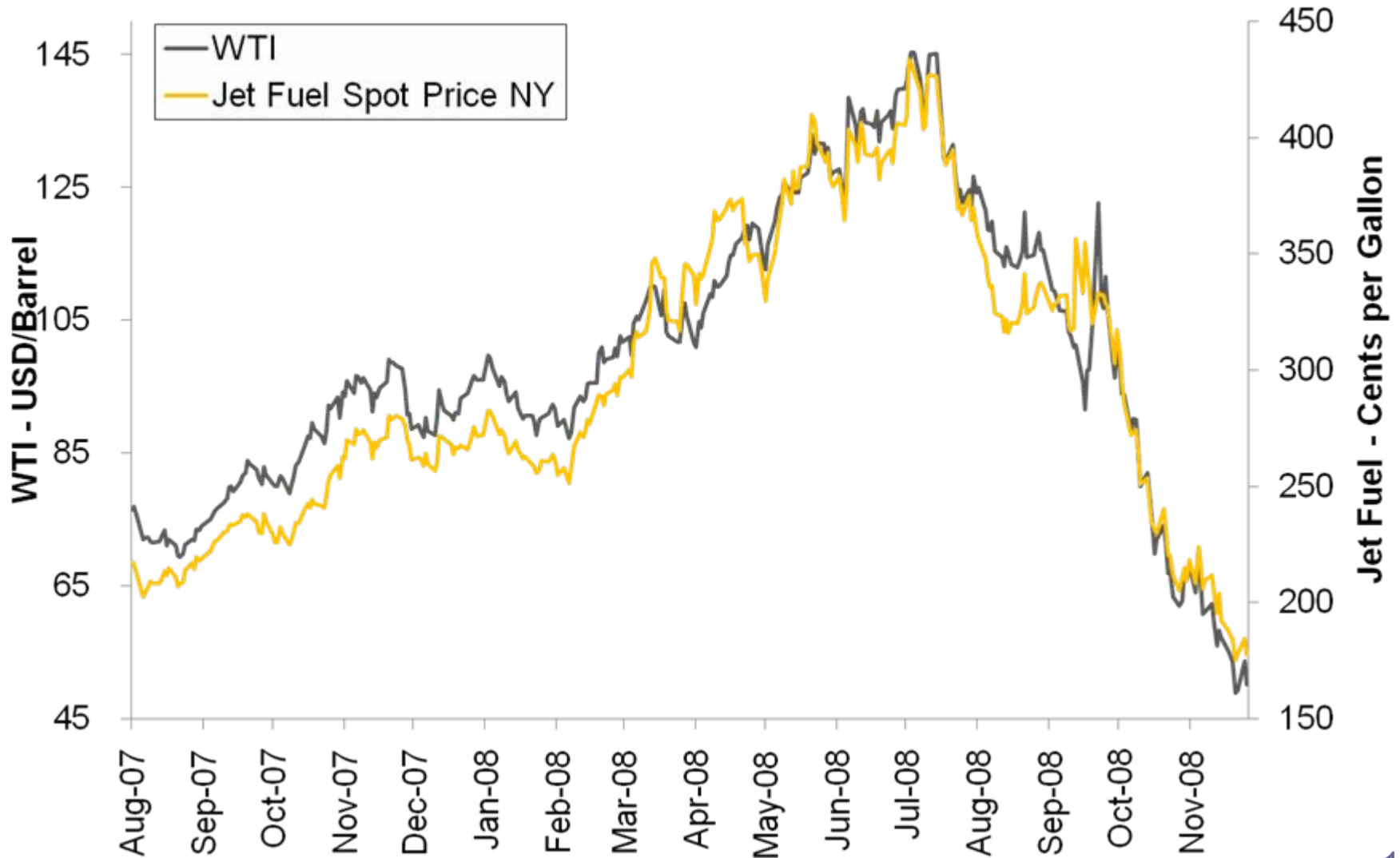
Aviation Industry

- **US domestic market outlook is negative and internally focused**
- **WestJet continues US expansion**
 - Southwest Airlines relationship
- **Next 12-24 months airlines will focus on low risk, low cost opportunities**
- **Expect additional airline failures**

Aviation Industry

- **Airlines will continue with smaller, more efficient aircraft with higher frequency**
- **Breakeven load factors are at historical highs - airlines very cost sensitive**
- **New competition is more of a reality with incumbent carriers in weakened condition**
- **33 of the last 36 years has seen positive air travel demand growth**

Oil & Aviation



Growth



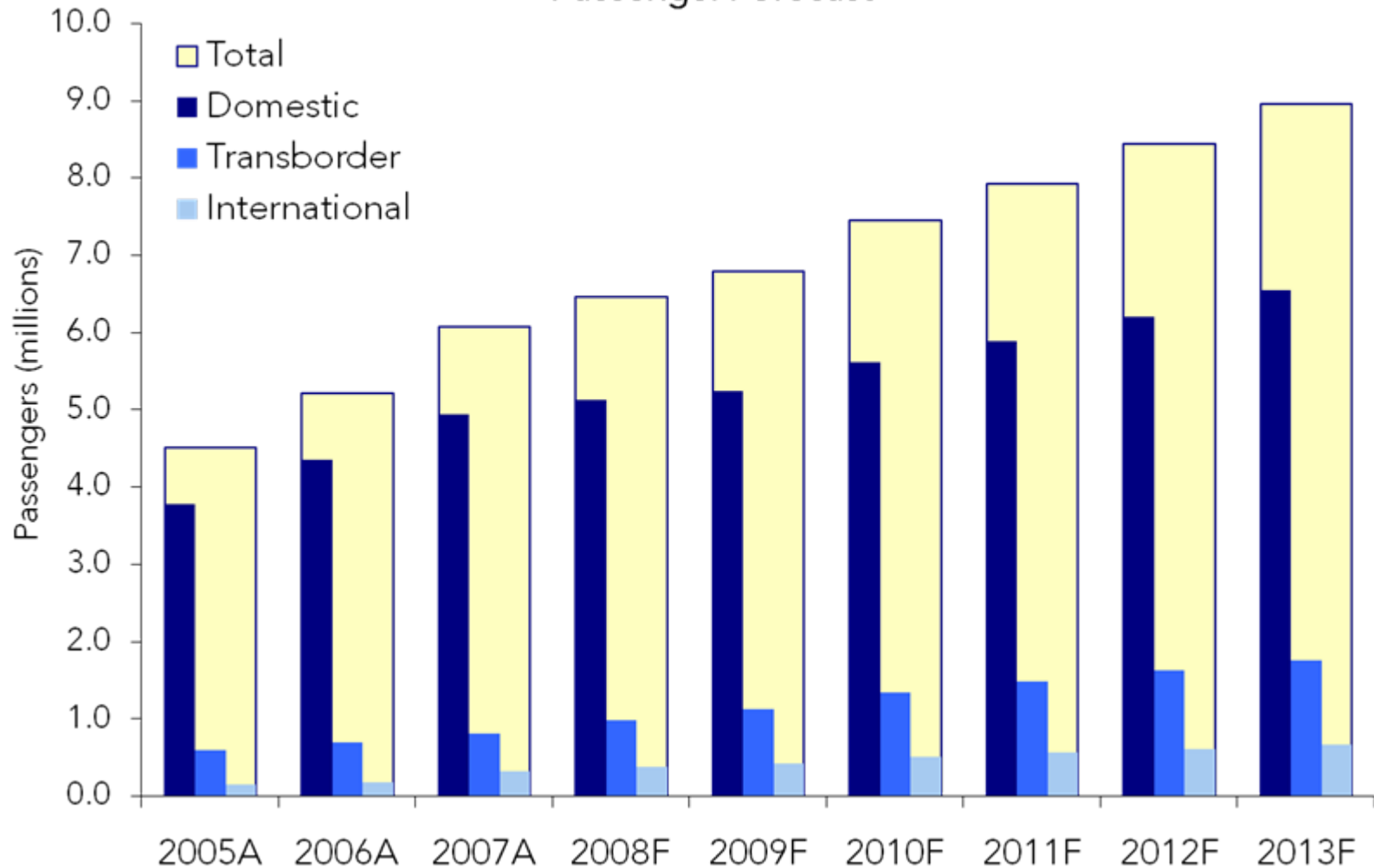
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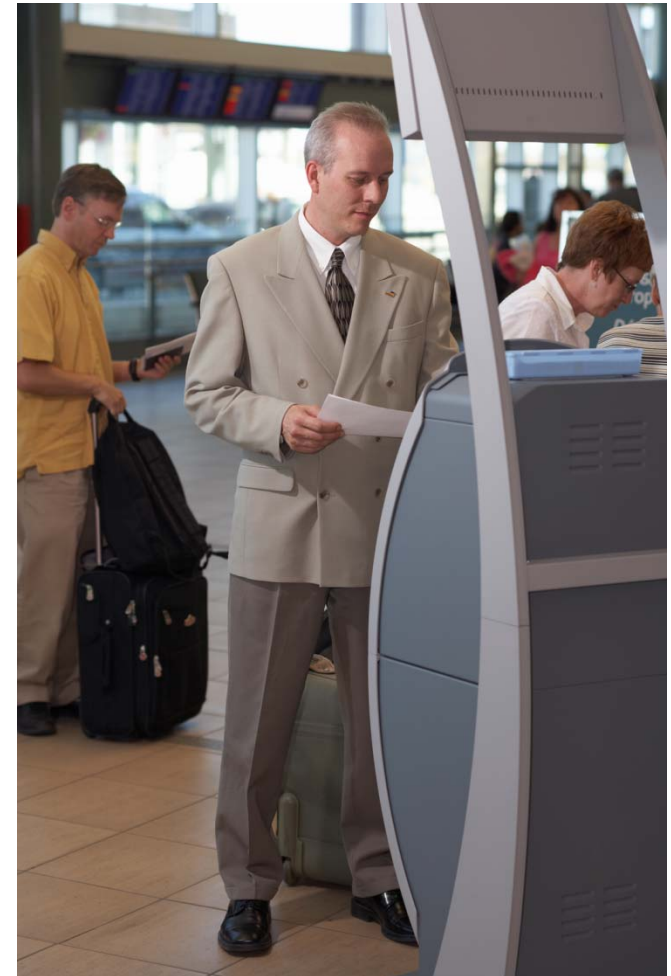
Moving more customers

Edmonton International
Passenger Forecast

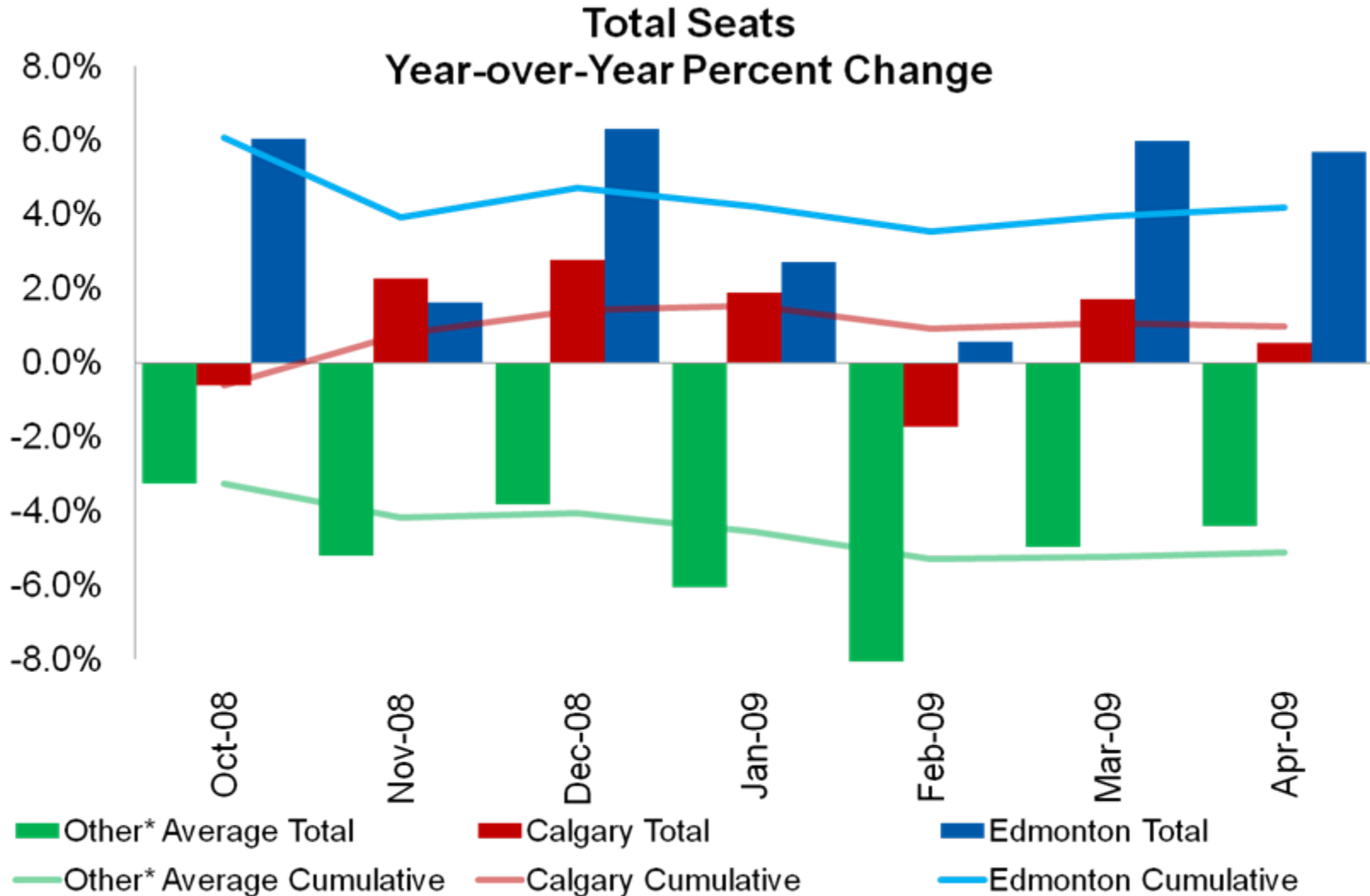


Moving our customers: Faster, Easier

- **Self-serve check-in**
- **WestJet Flow-through**
- **Online check-in**
- **Hotel web check-in**
- **U.S. Quick Connect**
- **Coming soon:**
 - Self-bag tagging



Airport Capacity

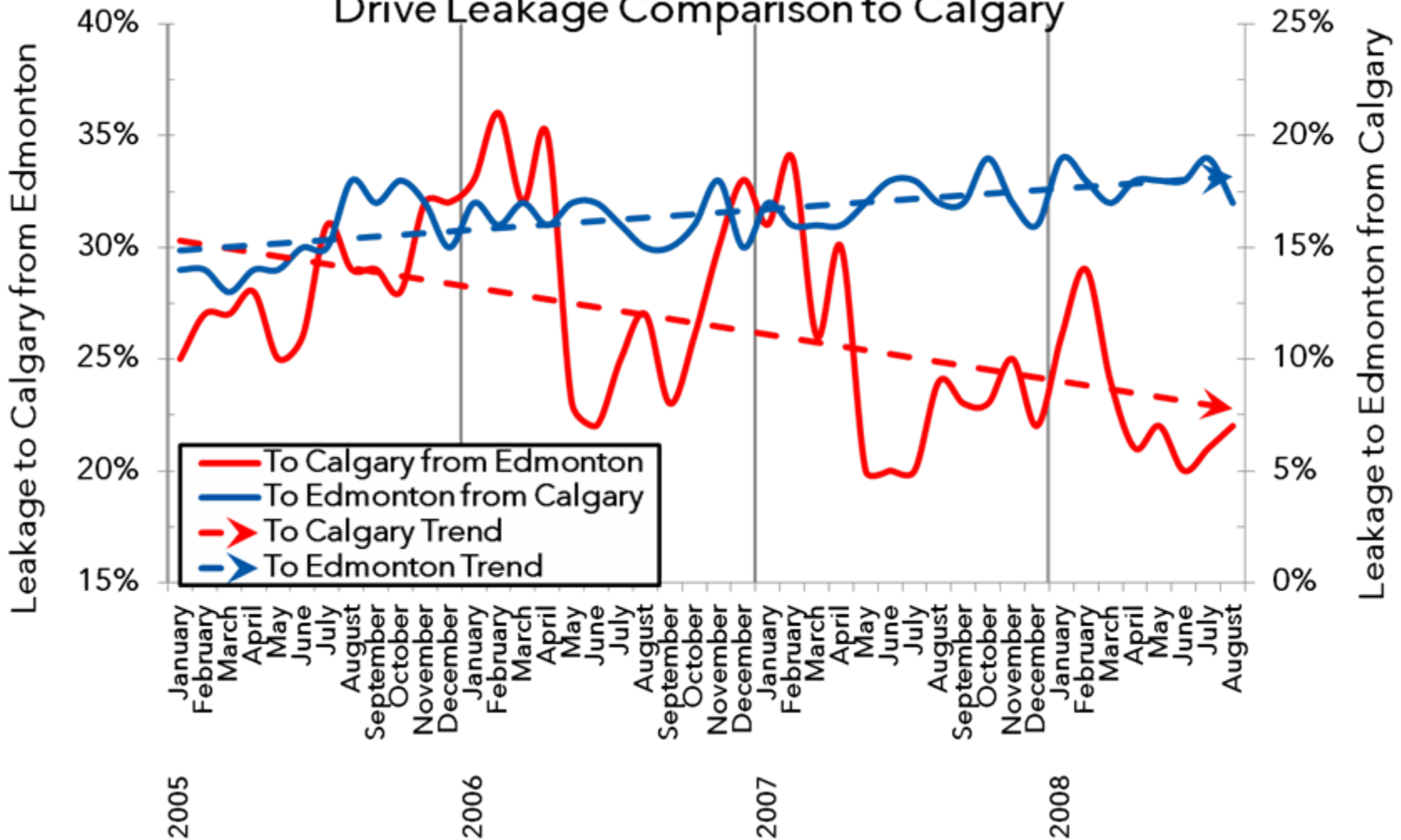


*Other Airports = Vancouver, Winnipeg, Toronto, Ottawa, Montreal, Halifax

Reclaiming the "Drive to Calgary" Market

Edmonton International

Drive Leakage Comparison to Calgary



Looking Ahead: Expansion



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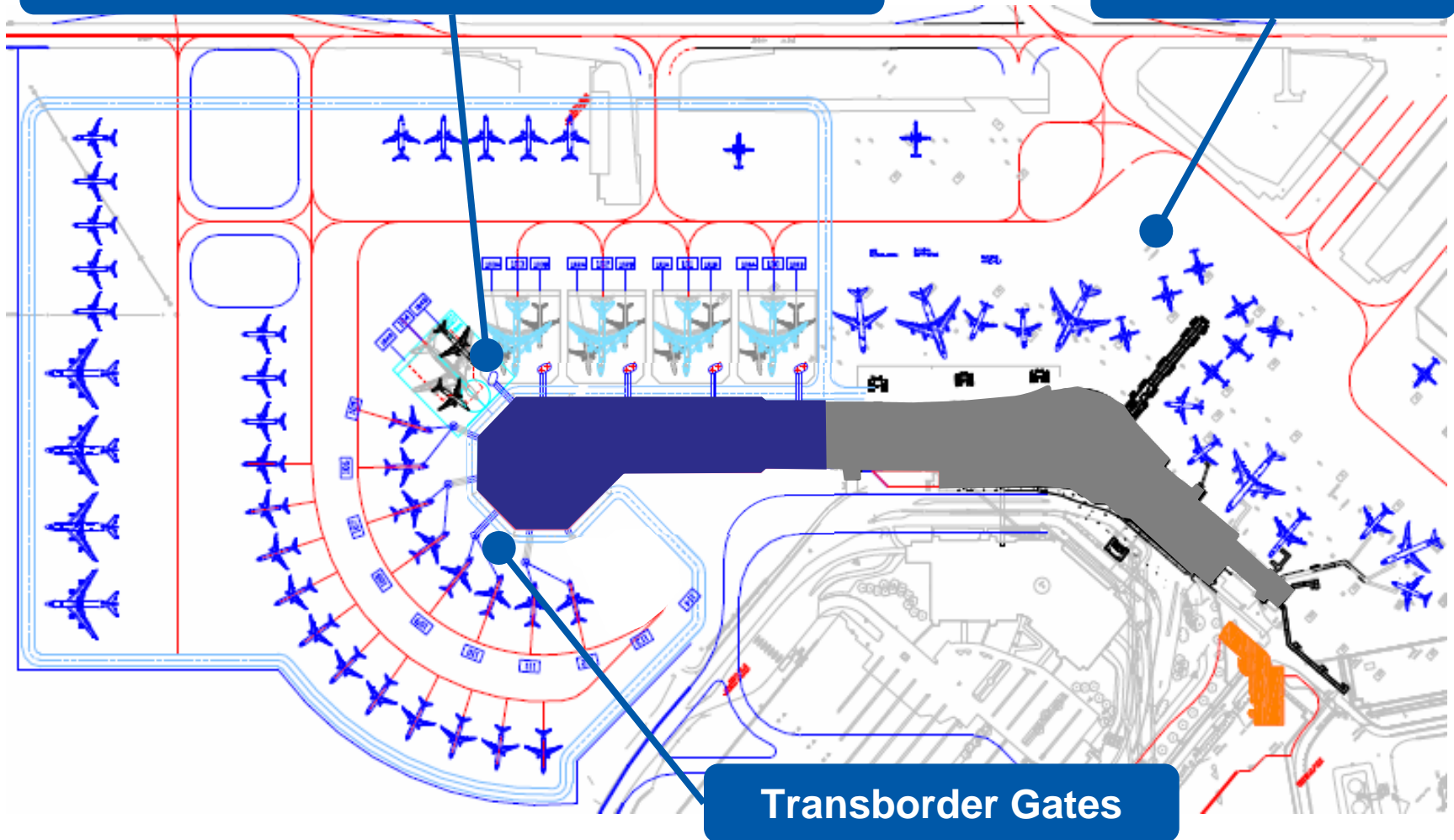
Expansion



Airport Expansion

Domestic/International/Transborder Gates

Domestic Gates



Transborder Gates

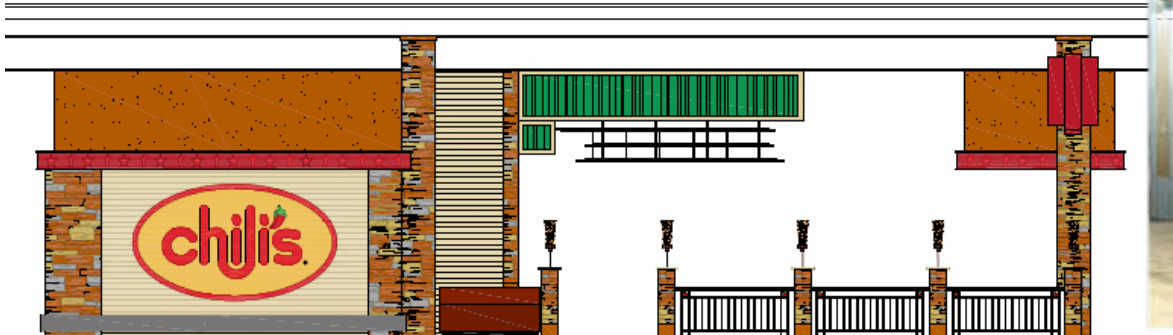
More parking

- Ample parking
- 1,000-stall parkade recently opened
- 2,000 new surface stalls for Christmas
- Pay & Go



New restaurants

- Two new Starbucks
- Jasper Lounge and Grill
- Mountain Lodge Bar and Grill
- Montana's Front Porch
- Chili's (February 2009)
- Wok Box / January



Looking Ahead: Port Alberta



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The World is NOT Flat

- its 'Fast', 'Cheap' and 'Out of Control'

'Fast'

- in that connectivity makes the world a smaller yet more complex place.

'Cheap'

- in that products are dropping in price, becoming more powerful, yet global sourcing increases risks and other problems.

'Out of Control'

- in that most of the world's purchasing power is more and more in the hands of empowered, demanding, and impatient customers. Businesses are no longer in charge.

Change & Opportunity

Alberta Energy Sector

- Growth and Sustainability

People

- In-migration & Immigration

Investment

- Economic Diversity

Customer Demand

- Cultural & Economic Connections

Adapting & Responding to Change

Transportation Infrastructure

- Massive Province-wide investments
- Integrated Regional Planning initiatives
- Increased focus on goods movement requirements

Diverse Sector Growth

- Health Sciences
 - Agri-value products
 - Forestry
- Communication Technology and Advanced Manufacturing
 - Education
 - Energy Technologies & Services

Global Exposure

- Foreign Direct Investment interest
 - Improved foreign worker access
- Regional trade alliances
 - Business development programs

Port Alberta Connections

-  *Energy – Alberta's Oil Sands*
-  *Natural Resources – Gas Exploration*
-  *Diamonds – Mineral resources in Canada's North*
-  *Manufacturing*
-  *Cargo – Northwest Development Corridor*

Connections:

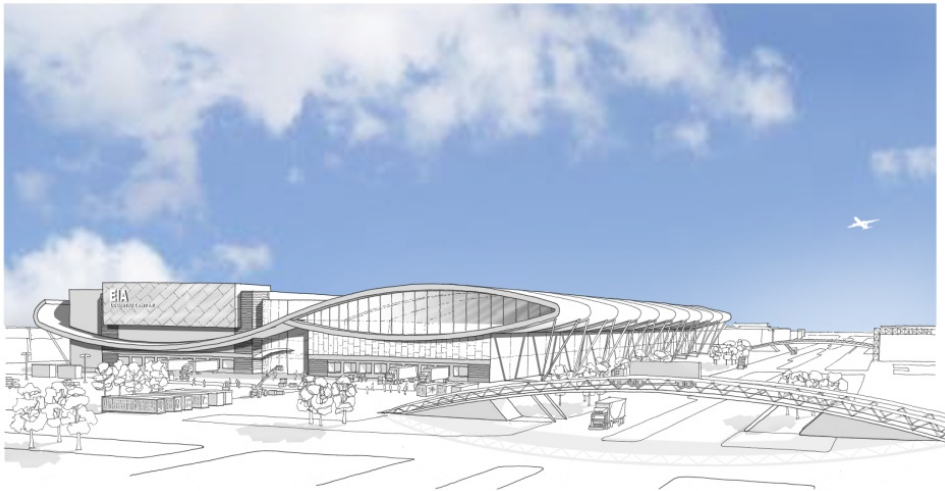
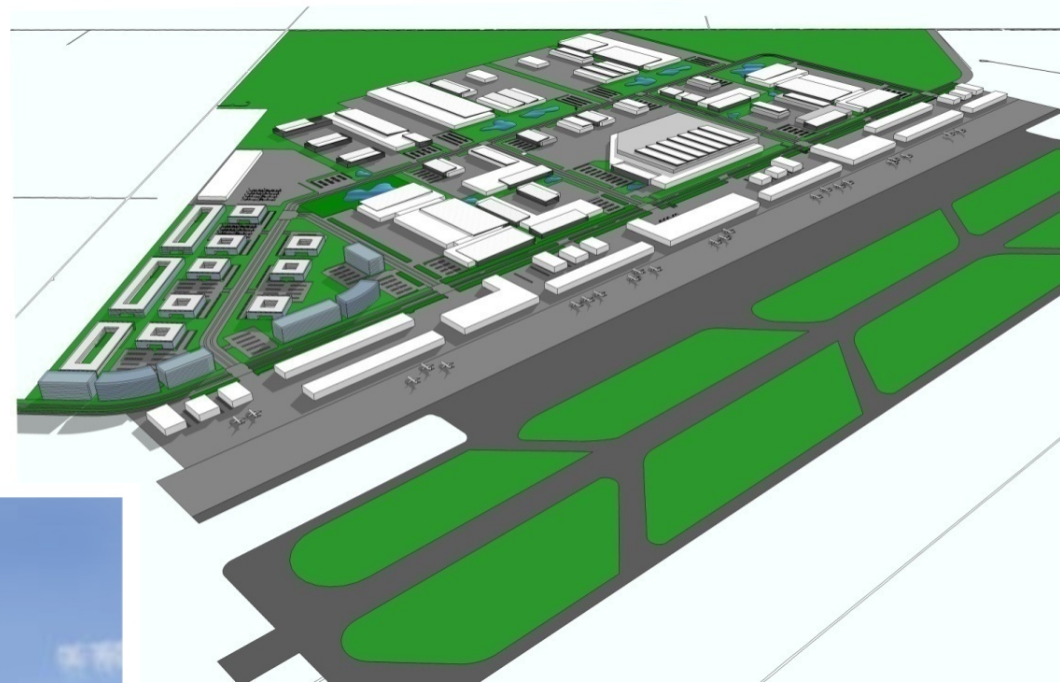
- Air – Runways
- Rail – 2 Class 1 carriers (2 ports – 3 routes)
- Road – Canamex and all points.



Port Alberta at EIA

Phase I – approx 250 acres.

Phase II – approx 1400 acres.



Integrated Multi-Modal Logistics Park

- **Trade & Manufacturing**
- **Services and Support**
- **Commercial/Retail**
- **Recreation and Accommodation**

Challenges

Policies

- Capital Programs
- Foreign Trade Zones
- Open Skies

Paradigms

- Inland Ports as extensions of sea trade
- Market 'pie' competition

Port Alberta: Inland Port Definition

"An Inland Port is a physical site located away from traditional land, air and coastal borders with the vision to facilitate and process international trade through strategic investment in multi-modal transportation assets and by promoting value-added services as goods move through the supply chain".

Center for Transportation Research, University of Texas

Know your non-stops

DOMESTIC		U.S. TRANSBORDER	INTERNATIONAL
Whitehorse	Victoria	Seattle	London (Heathrow)
Norman Wells	Abbotsford	San Francisco	London (Gatwick)
Inuvik	Kelowna	Los Angeles	Cabo San Lucas
Hay River	Calgary	Palm Springs	Mazatlan
Yellowknife	Lethbridge	Salt Lake City	Puerto Vallarta
Rainbow Lake	Regina	Las Vegas	Manzanillo
Fort Smith	Saskatoon	Phoenix	Mexico City
High Level	Winnipeg	Denver	Cozumel
Peace River	Hamilton	Minneapolis	Cancun
Fort St. John	Toronto	Chicago	Varadero
Grande Prairie	Ottawa		Montego Bay
Fort McMurray	Montreal		Puerto Plata
Vancouver	Halifax		Punta Cana
Comox	Victoria		

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A graphic element consisting of several overlapping, wavy, light blue lines that curve upwards and to the right, ending in a white arrowhead pointing towards the EIA logo.

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