

STATEMENT
OF
CONGRESSMAN
HENRY J. HYDE
BEFORE THE
FEDERAL AVIATION ADMINISTRATION
SCOPING MEETING
ON
CHICAGO'S
WORLD GATEWAY PROJECT
FOR O'HARE INTERNATIONAL AIRPORT

OCTOBER 5, 2000

Thank you for the opportunity to present my comments on the scoping meeting for the Environmental Assessment for the City of Chicago's proposed World Gateway Project. Mayor Daley's proposal to spend over three billion dollars - much of it from federal taxpayer funds - raises fundamental questions of aviation policy that will have a dramatic impact on the economic and environmental welfare of our region. The consequences of making the wrong decision could be catastrophic.

At the heart of this crucial public decisionmaking process must be certain critical qualities - candor, honesty and disclosure. It's time for Chicago to be candid with the public about the momentous aviation choices facing the region. And its time for the FAA and its parent agency, the US DOT, to stop playing politics with the aviation issue and to join all of us in an honest discussion of the issue.

Let me illustrate the dilemma Chicago has created for us.

1. The Region is out of capacity and needs new runways - the central issue is where to place the runways. Nowhere is the lack of candor and honesty more evident than in the runway issue. In June of this year, Chicago and the FAA testified before the Judiciary Committee that O'Hare had plenty of excess capacity and could handle foreseeable growth without adding new runways.

Now we all know that Chicago and the FAA were not being forthright on this claim. You didn't need to be an aviation expert to see that O'Hare airport is bursting at the seams - becoming a frequent scene of massive delays, cancellations and thousands of stranded passengers.

Nor was this capacity crisis a surprise. We know that the FAA's and Chicago's own capacity studies had for years demonstrated that O'Hare was out of capacity and that - absent major new runway capacity added to the region -

we would come to the nightmare of gridlock we face today.

But the FAA has persisted in helping Chicago maintain and perpetuate a fantasy that we did not need new runway capacity in the region and that aircraft operations demand would be adequately handled by the existing O'Hare and Midway. That is why I was somewhat surprised and pleased when in mid September of this year, the Inspector General of the US DOT (the parent agency of the FAA) in a burst of public candor told Senator McCain what many of us had been saying for years - the Chicago region is out of capacity and desperately needs new runways. Like St. Paul on the road to Damascus, the federal DOT appears to have been struck by divine encouragement - switching 180 degrees from its testimony before my committee in June and its refreshingly honest declaration in September.

Senator McCain and I and Senator Fitzgerald and Congressman Jackson - and now US DOT - all agree: the region is out of capacity and needs new runways. And finally, the dominant O'Hare airlines, who up until this year were publicly touting the Chicago party line that new runways were not needed, have now come forward and fessed up to the fact that new runways are needed in the region.

The only hold out refusing to face reality is Chicago. And its not because Chicago does not know the truth. Chicago knows new runways in the region are needed and Chicago wants to put those new runways at O'Hare. But admitting reality is both politically and legally painful. The runway reality is politically painful because Chicago will have to admit that its massive O'Hare expansion necessarily involves runways - and Illinois Governor Ryan has repeatedly pledged that he will not permit O'Hare expansion, including new runways. The runway reality is legally painful because Chicago will have to present to FAA and the public its overall plan for expansion of O'Hare, an expansion plan that sees

O'Hare as the sole major airport in the region - a "superport" - with any south suburban airport, if any, playing the role of a political and economic afterthought. By candidly acknowledging that new runways are needed - either at O'Hare or at a new airport - Chicago and the FAA will be forced to examine and openly discuss the fundamental aviation choice facing our region: build new runways at O'Hare or build a new airport.

FAA must stop playing games with the public and the region. FAA cannot permit Chicago to segment massive O'Hare expansion into multi-billion dollar pieces - hiding the overall scope and impact of the overall expansion program until too much has been invested in O'Hare as to pre-ordain the ultimate choice for new runways at O'Hare. The US DOT's Inspector General's refreshingly honest statement in September that new runways are needed in our region is a great start in restoring FAA's damaged credibility. Let's not ruin that great start by reverting to the segmentation game now proposed by Chicago in putting forth only the first segment of its expansion plan - the terminals and roadways of World Gateway - while hiding the new runway segments of the program.

2. Where to build the new runways - O'Hare, a new airport, or both. The September colloquy between Senator McCain and the US DOT Inspector General, Mr. Mead has been widely reported. They both agreed that the essential choices before the region were: 1) new runways at O'Hare, 2) a new regional airport, or 3) new runways at both O'Hare and a new airport. I agree that those are the choices.

The EIS for Chicago's O'Hare expansion (in coordination with the EIS for the South Suburban Airport) should address squarely address this question - where to put the new runway capacity the region so desperately needs - and the related questions that necessarily arise from this primary question. The answer

to this primary question will necessarily drive the choices we make about O'Hare expansion (including the terminals of the World Gateway) and the choices we make about the new airport.

Everyone knows that I am a strong advocate - along with my good friend and colleague Congressman Jackson - of a new south suburban airport and that I am against further expansion of O'Hare. But I want to start my analysis with a stark and provocative proposition. The choice as to the needed new runways is not both new O'Hare runways and a new airport.

If we build new runways at O'Hare we do not need a new airport in the foreseeable future. Building new runways at O'Hare and a new airport guarantees that the new airport will remain for decades a proverbial "white elephant" - unused by airlines and the public. Need proof? Just look at "white elephant" Dulles Airport which sat virtually unused as long as National Airport continued to grow. It was not until authorities in Washington decided that enough was enough at National that Dulles came into its own and has become a thriving hub operation.

Thus the "or both" option is a false alternative. Building major new runway capacity at O'Hare negates much, if not all, of the economic justification for the new airport. That is of course exactly what Chicago wants. But that is exactly what is wrong for the region.

3. Why New Runways at a New Airport - as opposed to new runways at O'Hare - is the proper and only sensible choice for the region and the Nation. Let me list just some of the reasons why building the new runway capacity at a new airport is the proper and sensible choice for the region:

a. The new Airport gives more capacity cheaper. The World Gateway segment of Chicago's overall plan is estimated at 3.2 billion dollars - without any added increase in capacity for the region. Add in the 2.1 billion

dollars Mayor Daley has programmed for O'Hare construction for the related Capital Improvement Program and you are over 5 billion dollars. Add in the cost of ripping up runways, rebuilding ripped up runways, and adding new runways under Chicago's "quad runway" plan and you are suddenly in the vicinity of 10 billion dollars or more - much of it to be funded with federal taxpayer dollars.

In contrast, the new airport can build a runway system and terminal complex with much greater capacity - which I note is added capacity which leaves O'Hare's existing capacity intact - at a fraction of that 10 billion dollar price tag.

b. The new Airport gives more capacity sooner. The new airport can have runways built and operation in a greenfield construction site far faster than major runway reconstruction and construction in a congested O'Hare - trying a massive runway construction program in the midst of 900,000 operations.

c. The new Airport is much better from a public health and environmental perspective. Pushing major new capacity into O'Hare guarantees a massive increase in the toxic air pollution and noise problems currently being imposed on O'Hare area communities. The environmental buffer for the new airport is more than 20,000 acres of protected open space. The environmental buffer for an expanded O'Hare are the citizens of Des Plaines and Park Ridge. The additional traffic that will be carried by the new capacity of additional runways at O'Hare simply creates an unacceptable environmental and public health burden on already overburdened communities.

d. The new Airport is much better from an economic perspective. The new airport will provide major new capacity to allow competition to enter the Chicago market. GAO and DOT have both commented on excessive high prices paid by travelers in airline hub markets such as Chicago because of market

dominance by one or two airlines. In Chicago that market dominance is reflected in the fact that United and American control over 80% of the flights out of O'Hare. Excess fares charged to business travelers are estimated by some sources at several hundred million dollars per year.

The entire design of the World Gateway is to solidify and expand that market dominance of the Chicago region by American and United. Without new runway capacity, how does an investment of 5 billion dollars at O'Hare - much of it by federal taxpayers - significantly expand competition. What opportunities does that 5 billion dollar investment provide to attract a new hub competitor into the Chicago marketplace. Even with new runways, the entire centralized terminal design of World Gateway is focused on preserving the market dominance of United and American - rather than stimulating significant new competition. We should not be using federal taxpayer dollars to sustain and expand the power of private companies to overcharge our consumers due to a lack of competition. We should be spending our taxpayer dollars to build an airport system that maximizes competition.

4. What happens if we build World Gateway and no new runways at either O'Hare or at the new airport? Let's examine what happens if we continue to play Chicago's preposterous charade and pretend that the region does not need new runways. We guarantee chaos. O'Hare will become a year round nightmare of congestion, cancellation and angry passengers. The toxic air pollution problem and burden imposed by O'Hare on downwind residential communities will become worse. The economic dominance of American and United - and the resultant monopoly fare pricing penalty charged to area business travelers - will increase. The safety hazards of stuffing more and more aircraft into an airport system that is already strained to the limit will increase - potentially leading to an unfortunate but inevitable aircraft catastrophe.

Conclusion

FAA has the power to become a beacon of truth and reason in this debate and a leader in the resolution of a regional and a national crisis. Demand and practice public disclosure of the truth. Shape the analysis from a regional perspective - with full disclosure of the truth - and an honest comparison of where we should put the new runway capacity that the region needs. Give us an honest assessment of the environmental, public health, safety, and economic impacts of the alternatives.