CAAFI®

CAAFI 2014 General Meeting & Expo

Brad Tilden

Chairman, President and Chief Executive Officer, Alaska Airlines

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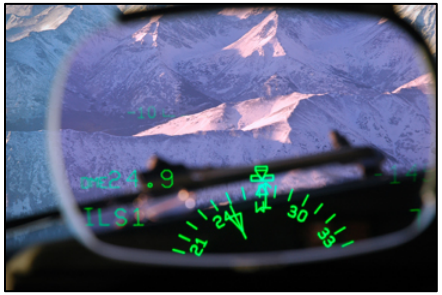
Airlines for America®
We Connect the World

Alaska Airlines / Horizon Air

Reducing aircraft emissions

What we fly

How we fly



The fuel we use

We fly to beautiful places … and we want to keep them beautiful.

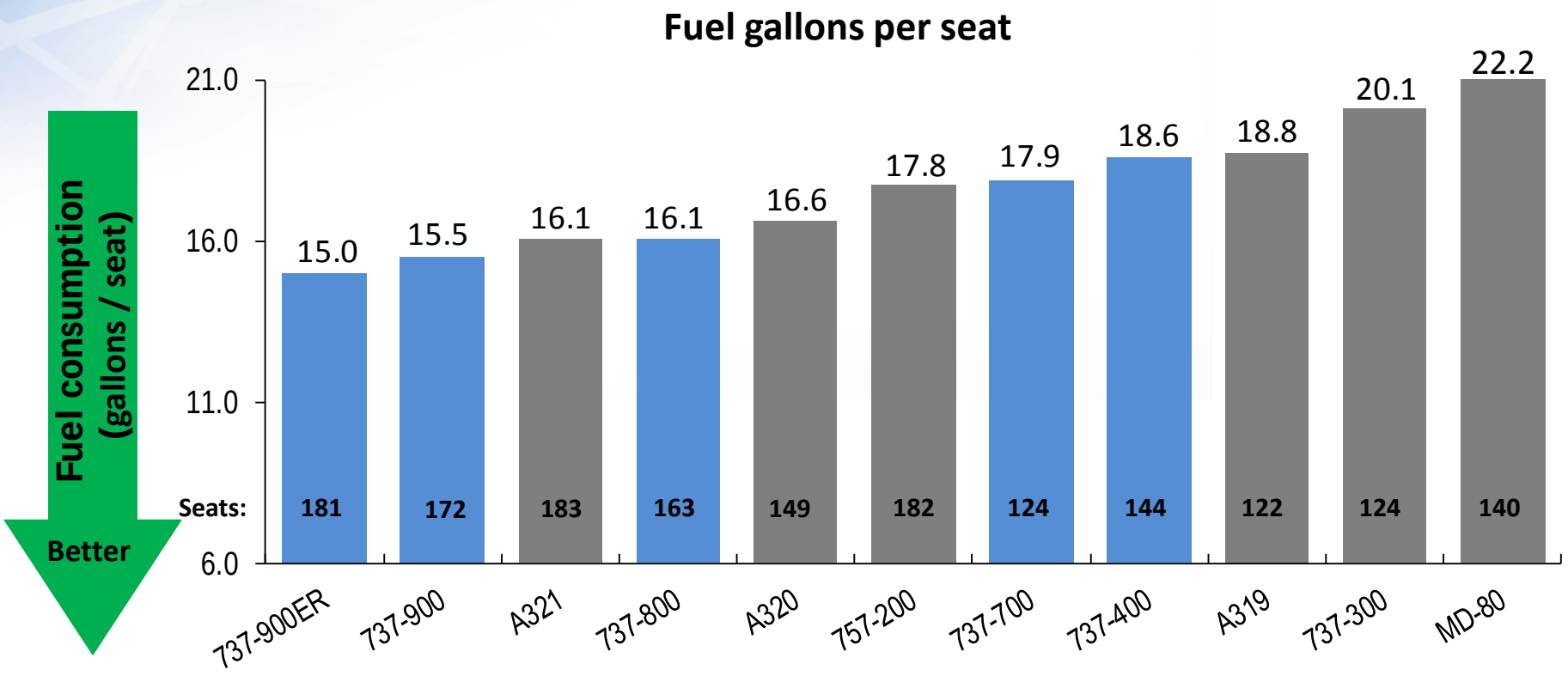
What we fly

Boeing 737-NG

Bombardier Q400

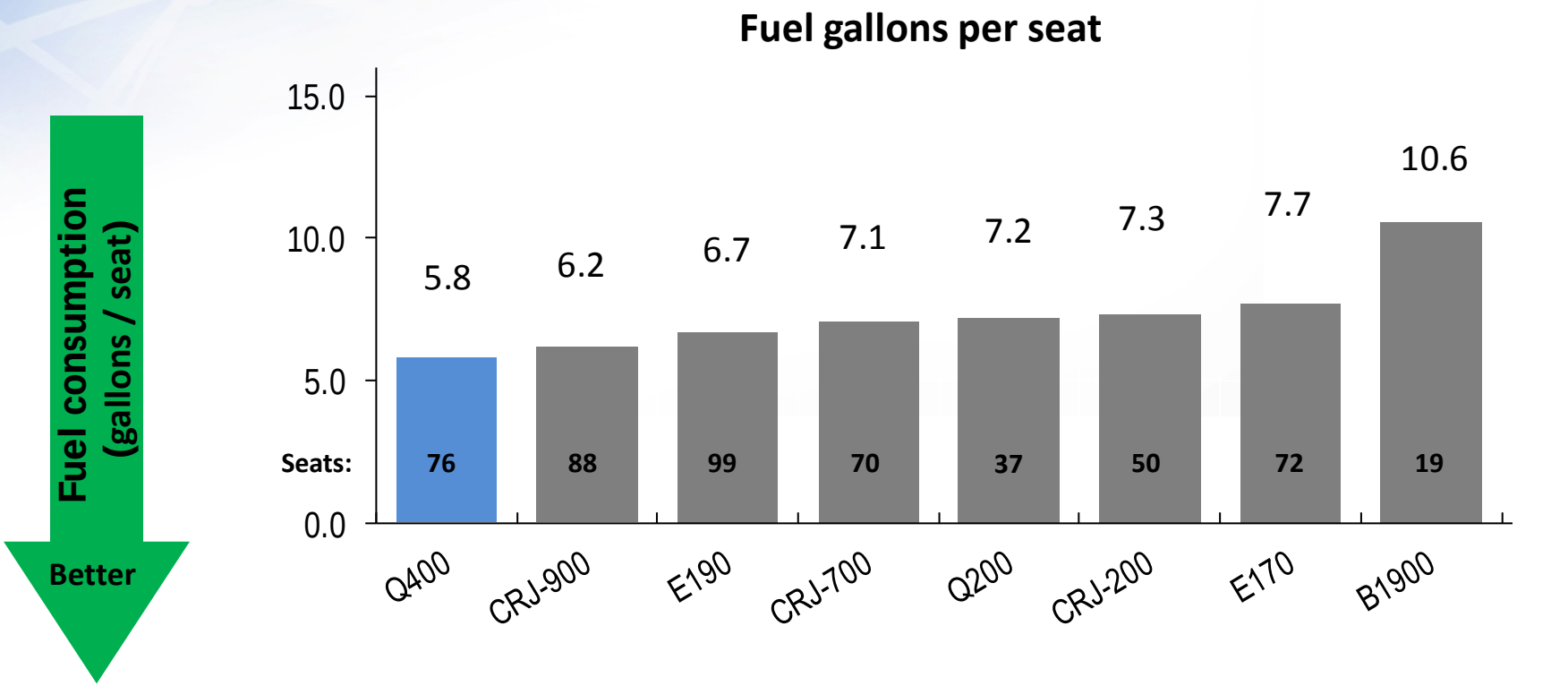
Coming in 2018: Boeing MAX

Alaska among the most efficient



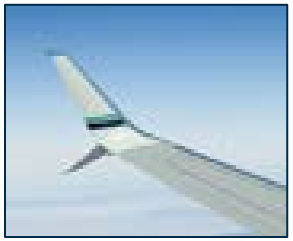
- 1,500-mile stage-length
- Nominal fuel burn
- Pax / bag weight = 220 lbs.

Horizon among the most efficient



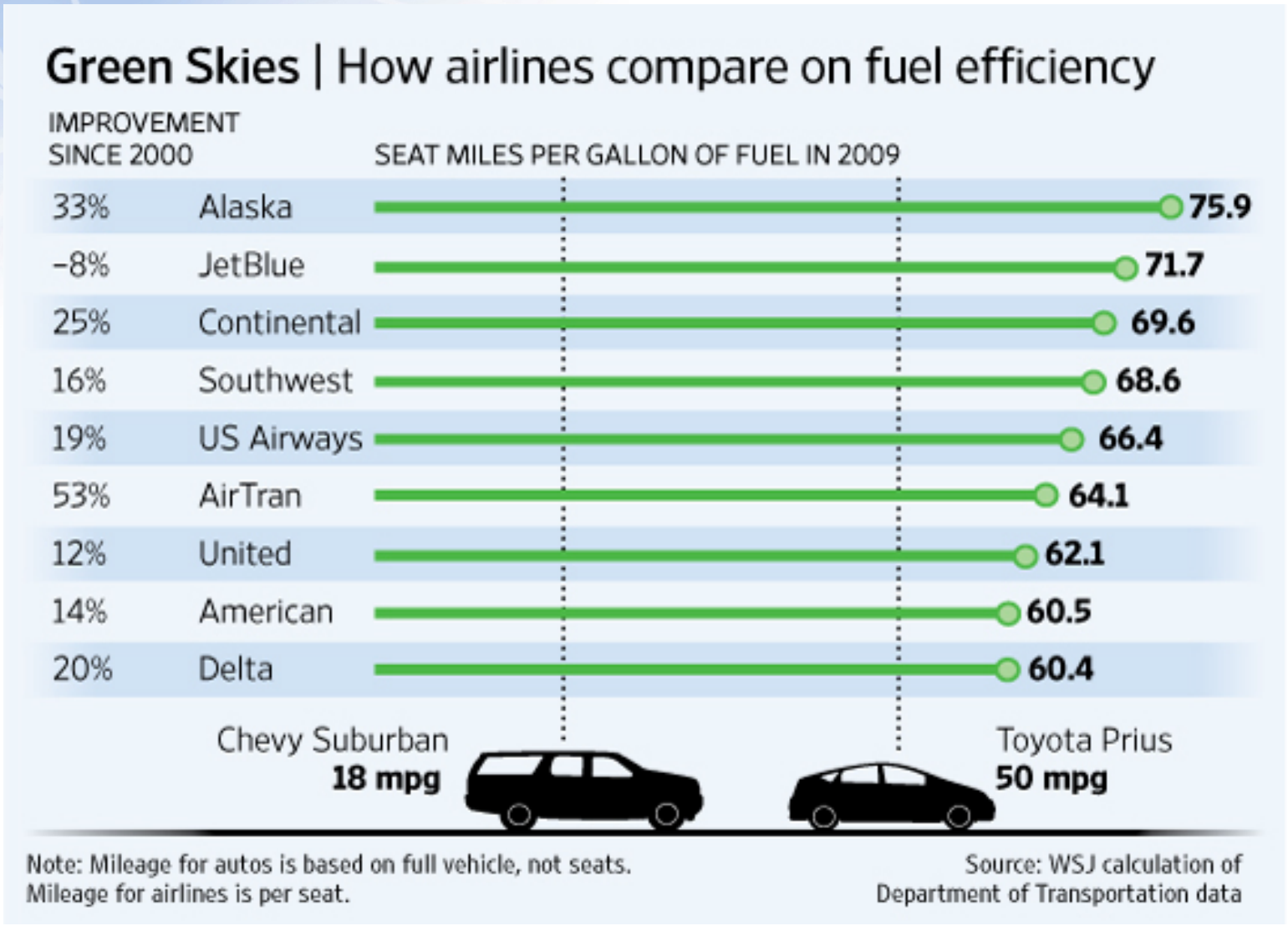
- 400-mile stage-length
- Nominal fuel burn

Winglets improve efficiency



100,000 gal. / aircraft annually	58,000 gal. / aircraft
2008	**2014**
737-800s equipped w/standard winglets Retrofitted -700s, -900s	Retrofitting fleet w/split-scimitar winglets
Efficiency ↑ 3.0%	Efficiency ↑ 1.7%
Total fleet CO_2 emissions ↓ 79.5k tons	Total emissions ↓ 57k tons
16,600 cars off the road	**11,900 cars off the road**

Total fleet CO_2 emissions ↓ 136.5k tons / 28,500 cars off the road



THE WALL STREET JOURNAL
August 2010

How we fly

Single-engine taxi

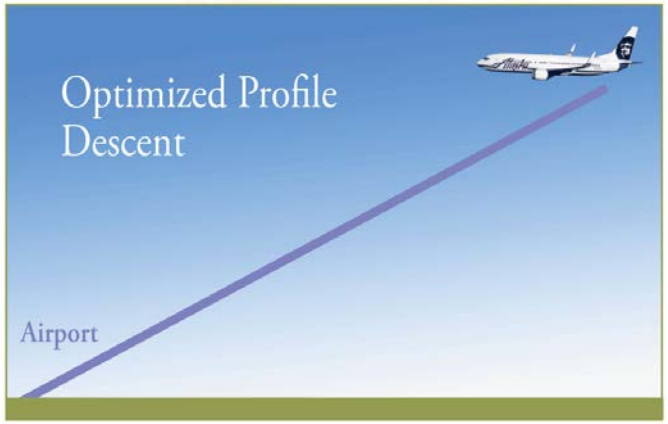
Taxi times in general

APU on demand for Hawaii flights

En route navigation: most favorable

Approaches: idle power

‘Greener Skies’



Eliminates noise for 750k people

Saves airlines 2 million gallons of fuel annually

Cuts pilot-air traffic controller workload in half

Shows potential of FAA’s NextGen ATC system

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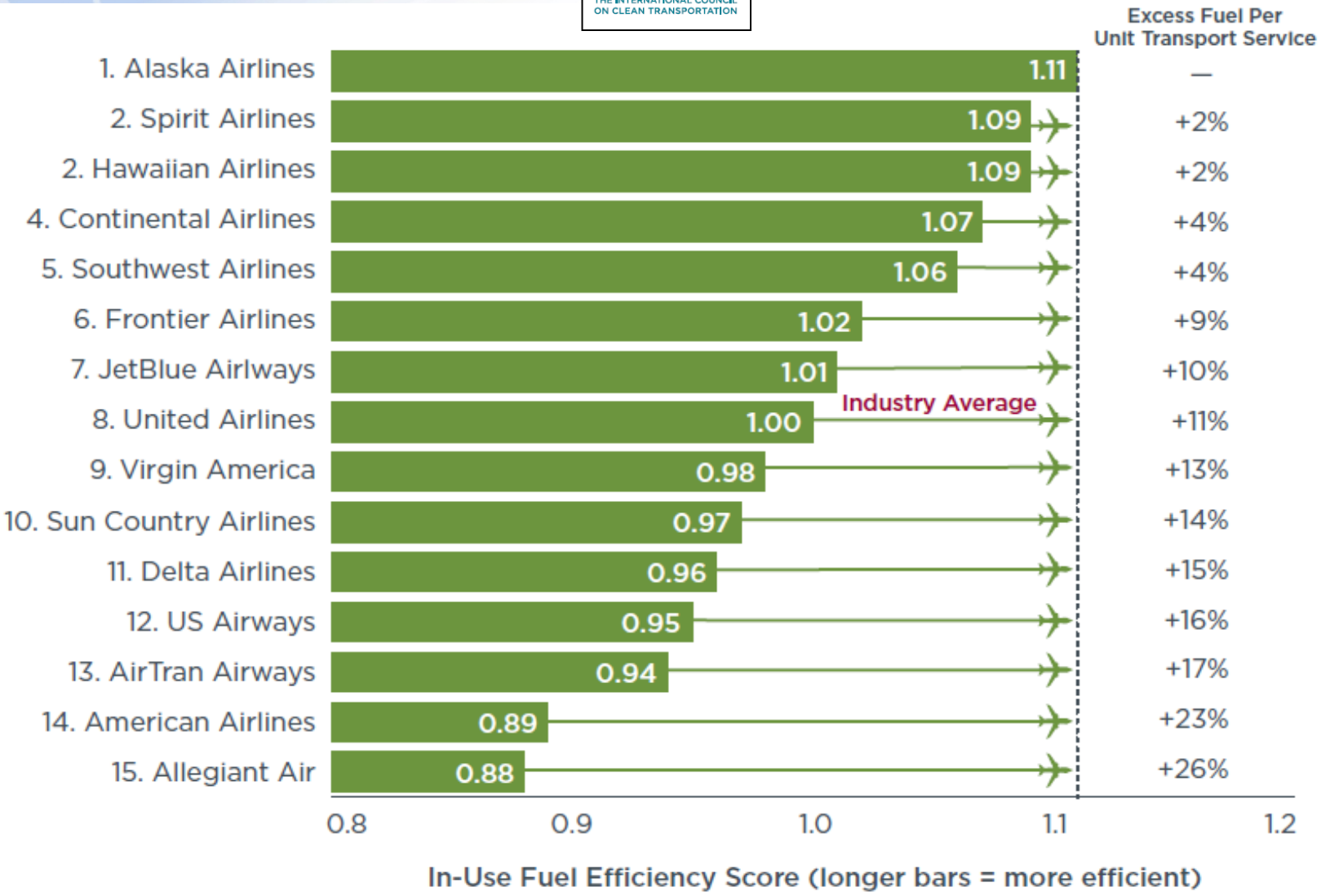
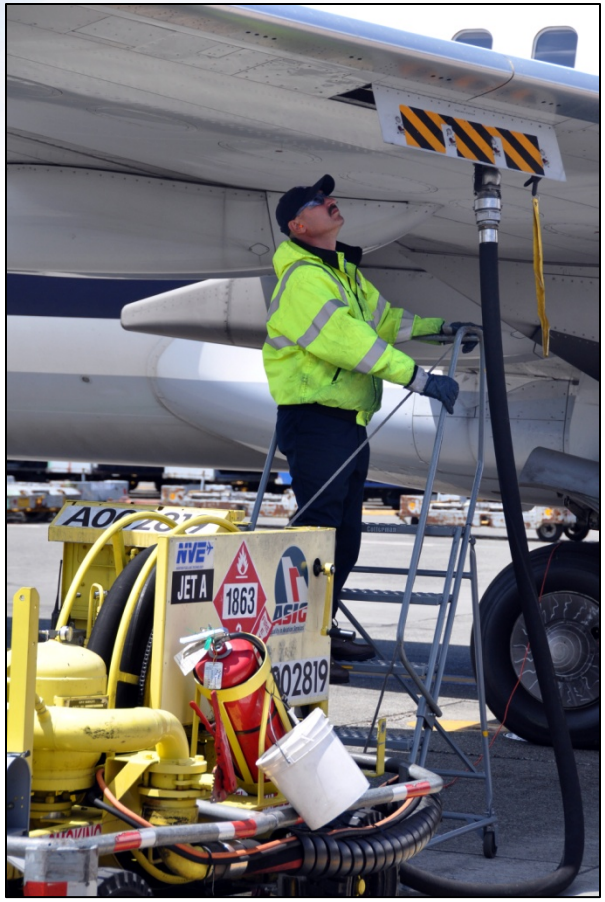
THE INTERNATIONAL COUNCIL ON CLEAN TRANSPORTATION



The fuel we use



Alaska burns about 1 million gals. / day

Spent $1.4 billion on fuel in 2013

Our largest expense — 35%

3.2m tons of emissions / 676k cars

U.S. airlines burn 18 billion gals. / year

Cost: $50 billion

160m tons of emissions / 33.3m cars

The fuel we use

75 flights powered by 20% biofuel blend

SEA-DCA on 737s
SEA-PDX on Q400s

Fuel cost: $17 / gal.

Showed industry: If you build it, we will buy it.

Biofuel challenges

- Scaling up to a sustainable supply
- Pricing biofuel competitively
- Drop-in distribution

Questions