



The Research Bureau

Bureau Brief—Worcester Regional Airport (ORH)

Worcester Regional Airport, airport code ORH, was founded in 1946 as a municipal airport. ORH has enjoyed periods of great success, peaking at 354,000 passenger enplanements in 1989. By the late 1990s, however, passenger enplanements had fallen below 10,000 with the departure of major national airlines. Despite runway upgrades and aggressive advertising, ORH remained underutilized and deficit-plagued. Competition arose from other regional airports, such as Manchester in New Hampshire and T.F. Green in Rhode Island, which were investing in infrastructure to improve access and passenger accommodations and had fewer delays and cancellations. In 2010, the Massachusetts Port Authority (Massport), which had supported the City with airport operations and finances since 2000, purchased ORH and announced significant planned investments. With JetBlue's arrival in November 2013, both the number of flights and passenger enplanements have increased. Is ORH on a flightpath to once again become an economic driver for Greater Worcester?

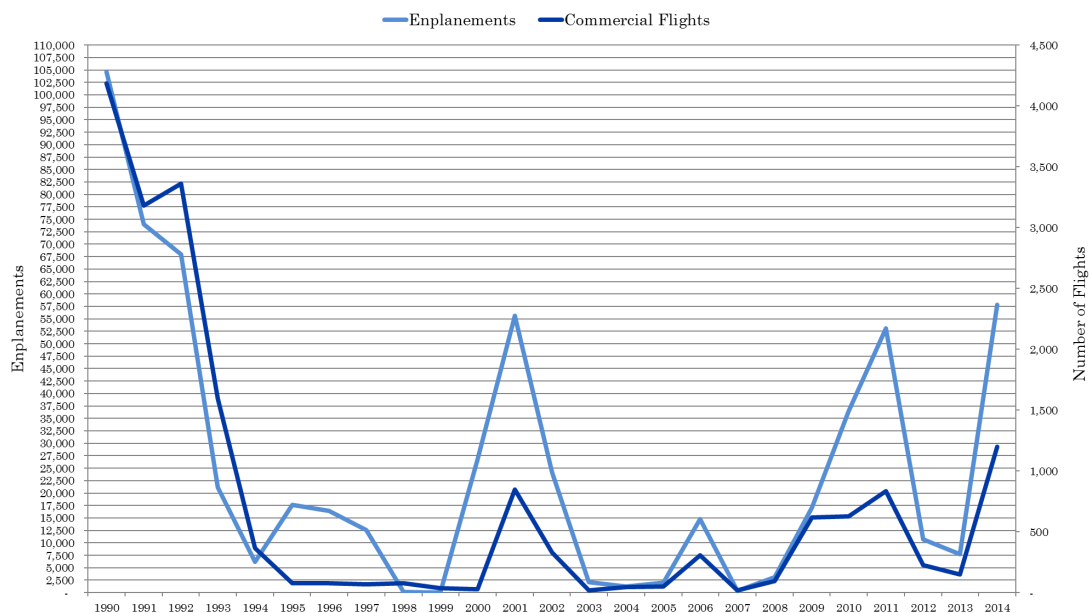
ORH Snapshot

- *Owner:* Massachusetts Port Authority (Massport)
- *Location:* City of Worcester & Town of Leicester
- *Land Area:* ~1300 acres
- *Elevation:* ~1009 feet
- *Terminal:* Opened in 1992; 59,000 square feet; 4 gates
- *Runways:*
 - Runway 11/29—7000 feet x 150 feet
 - Runway 15/33—5000 feet x 100 feet
- *Hangars & Storage:* 3 Conventional; 30 T; 50 Tie-Downs
- *Fixed-Base Operator:* Rectrix Aviation
- *Air Freight:* Euro-American Air Freight Forwarding, Co.
- *Field-Based Aircraft (2015):*
 - 69 Single-Engine Planes
 - 5 Multi-Engine Planes
- *Parking Spaces:* ~600
- *Rental Car Agencies:* Avis, Hertz, Thrifty

Definitions

- **Catchment Area:** A region in which potential passengers are closer in distance and travel time to one airport than competing airports.
- **Enplanements:** Passenger boarding of aircraft.
- **Fixed-Based Operator (FBO):** An airport-based commercial entity that provides on-site aviation-related services such as fueling, maintenance, plane parking and storage, etc.
- **Load Factor:** Paid seats as a percent of available seats on commercial flights.
- **Operations:** Local (Worcester-based) and itinerant (non-Worcester based) flights using airport facilities. Local flights consist of Worcester-based aircraft and include flight training and certification. Itinerant operations include commercial, charter, private/leisure, and military operations.

Commercial Activity at ORH



Source:
US Department of
Transportation,
Bureau of Transportation
Statistics

According to the Federal Aviation Administration's New England Regional Airport System Plan (NERASP), ORH has a catchment area of approximately 2.2 million people including portions of Massachusetts, Connecticut, New Hampshire, and Vermont.

ORH Operations, 2015

Average Operations	110/Day
Itinerant General Aviation	55%
Local General Aviation	37%
Commercial	3%
Military	2%
Air Taxi	2%

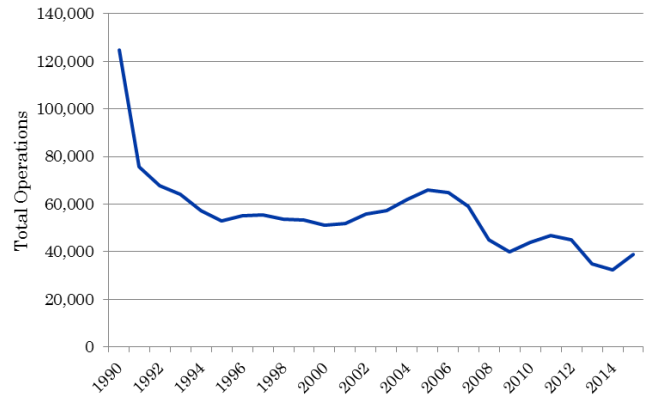
Upgrades and Enhancements to Technology and Services

In the past year, Massport has completed or initiated upgrades to improve service and safety at ORH and attract additional commercial and private flights. Perhaps most importantly, Massport broke ground in 2015 for a CAT III instrument landing system at ORH. This system will allow planes to land in low visibility conditions and will significantly decrease the number of cancelled flights, diverted landings, and overall flight delays. The construction of the new navigation system includes the building of an additional taxiway, improved lighting and new underground electrical conduits, a building to house a new generator, and a temporary construction service road. The CAT III system is funded by \$10 million in federal grants and \$22 million from Massport. The CAT III system will put ORH's landing capabilities on par with Logan and T.F. Green airports. In June 2015, Massport also opened a renovated Aircraft Rescue and Firefighting Station (ARFF) with \$3 million from the FAA and \$2.5 million from Massport. Improvements included renovation of the existing Old Tower Building, larger bays to house additional safety equipment, the addition of two 3,000-gallon ARFF vehicles, office space for safety and security staff, and upgrades to doors and windows to improve energy efficiency.

In addition to upgrades and improvements made by Massport, Rectrix Commercial Aviation Services, Inc., the fixed-base operator for ORH, opened a new 27,000 square foot hangar for private and business charter flights. The new hangar has lounges, concierge services, and a flight planning room. Rectrix will permanently house jets in the hangar. Rectrix also provides ground services for JetBlue flights (including fueling, deicing, and aircraft maintenance services) as well as air taxi services with a fleet of corporate jets. Rectrix looks to expand its charter capacity and possibly offer scheduled flights to compete directly with commercial airlines.

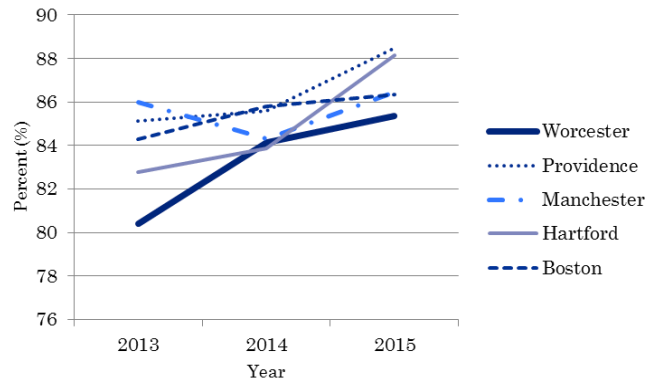
JetBlue, which began flights out of ORH in November 2013, continues to provide commercial services to Fort Lauderdale and Orlando. The airport's potential for growth relies on load factors and a competitive price structure with airports such as T.F. Green and Manchester. JetBlue's annual load factors (based on ORH load factors) have averaged in the mid-80%. While this is just below other New England airports, Worcester's lower fare structure restricts airline profitability when comparing ORH to other major airports.

Total Annual Operations—ORH



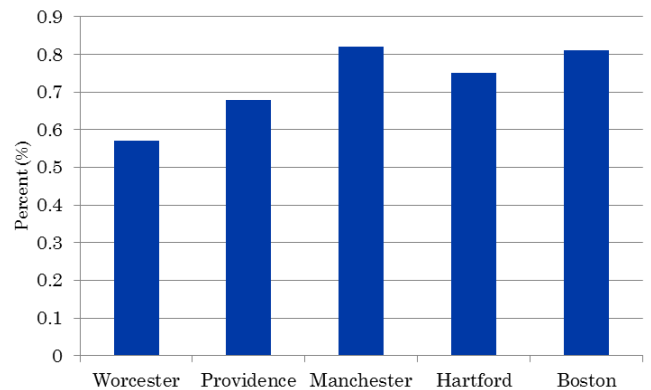
Around 1990, the FAA clarified the definition of "Operations," contributing to the drop in Worcester's numbers at that time. Source: FAA: Air Traffic Activity System

Load Factors—Major New England Airports



Source: US Department of Transportation, Bureau of Transportation Statistics

Airport Weather-Related Delays % of Arrivals (June 2003 to November 2015)



N.B.: All of the above are <1%.

Source: US Department of Transportation, Bureau of Transportation Statistics

Research in the Public Interest

Bureau Brief

Worcester Regional Research Bureau, Inc.
 500 Salisbury Street
 Worcester, MA 01609
 508-799-7169
 www.wrrb.org

Questions to Consider

- What steps are needed to land additional airlines at ORH?
- How does Worcester secure new routes to New York, Washington, DC, and Chicago, the region's primary business destinations?
- Are new transportation alternatives (e.g., an access road) required for ORH's ultimate success?
- How can Worcester ensure that resident concerns about noise, traffic, and other impacts are considered as airport activity expands?
- Is Greater Worcester effectively using the airport to encourage economic development?

