



2023 Revenue Accounting Committee

Airlines Clearing House Update



Did You Know?

Today is National Mimosa Day!

Made of Champagne and Orange Juice, the Mimosa is a Sunday Brunch classic, and a favorite pre-dinner drink of the British Royals



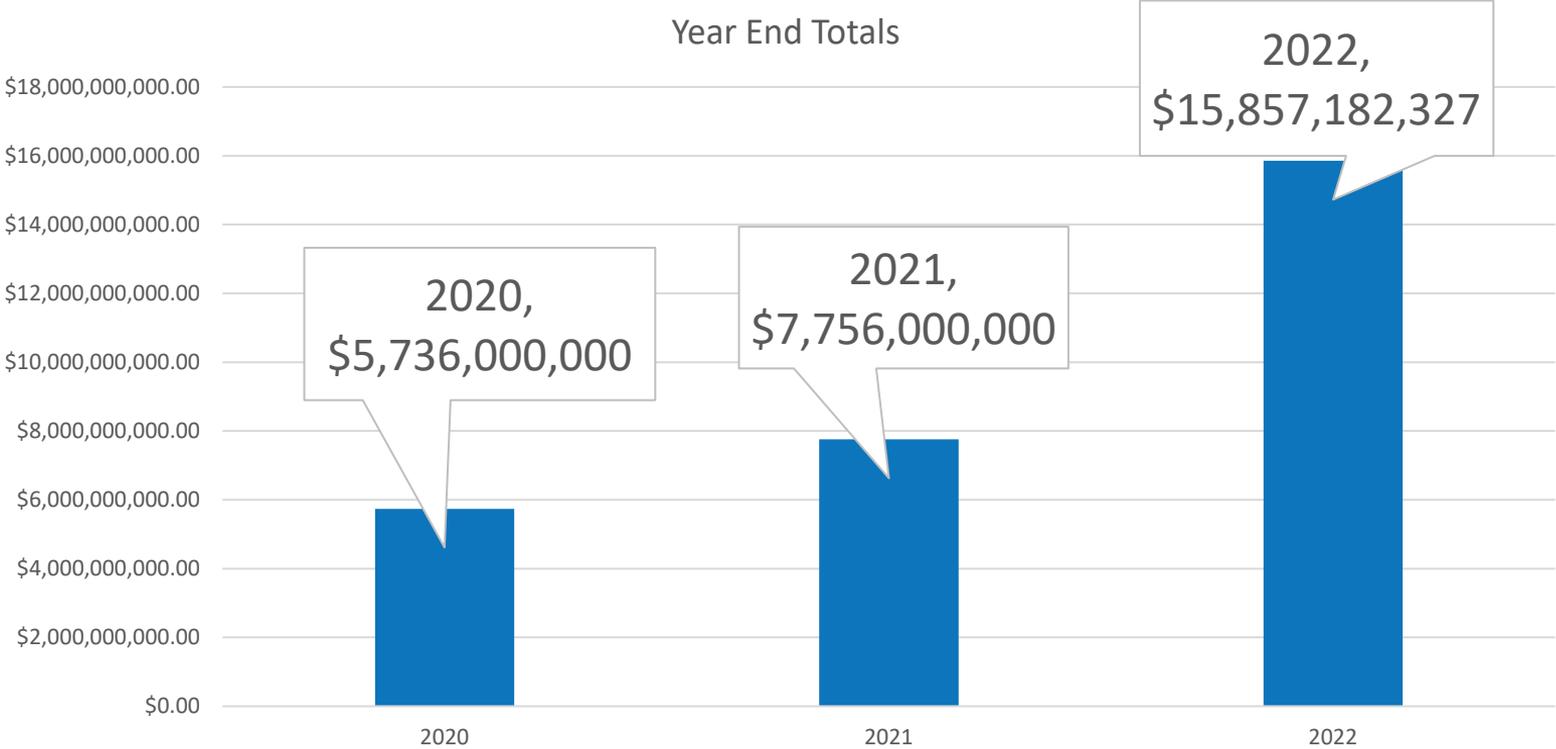
Clearing House Activities 2022-Current

- Settlements
- SIRS Quality Control Testing
- More in Depth Presentations to Follow:
 - UATP USS Settlements
 - DOT O&D Survey
 - Industry Initiatives

Settlements 2022

- ➔ \$13B settled through ACH and Interclearance Settlements in 2022
 - ➔ 1 default \$11K
- ➔ Current Membership:
 - ➔ 105 ACH Participants
 - ➔ 34 PFC Settlement Participants
 - Southwest Airlines newest participant
 - ➔ 52 USS Merchants

All Settlement Types



SIRS Rates Quality Testing

- SIRS rates are mandated as Involuntary Reroute Settlement rates in accordance with ACH Manual
- Periodic quality testing falls under SIRS Steering Group responsibility, but not done for several years
- Testing scheduled and organized in two phases:
 1. Filter review (exclusions)
 2. Accuracy of survey ticket MPA proration
- Six airlines participated in the testing

SIRS Rates Quality Testing (cont.)

••➔Phase 1 – Filter Review

- ➔ATPCO provided files of ticket numbers excluded from SIRS processing in accordance with “filter” processing
- ➔Filter excludes
 - Reissued tickets
 - Zero value tickets
 - Non-revenue/industry discount tickets
 - Non-passenger tickets

SIRS Rates Quality Testing (cont.)

- Six airlines reviewed their excluded tickets file
 - Minor tweaks to airline-specific filter parameters
 - AD/ID farebasis wildcards
 - Some unique farebasis parameters
 - No adjustments to industry-wide farebasis/ticket designator parameters

SIRS Rates Quality Testing (cont.)

- Zero value ticket issue detected
- IT/BT tickets with $FNUM = 0.00$ and $EQFN > 0.00$ are being excluded as zero value
 - ATPCO research for 5 large SIRS airlines found 6% to 100% of IT/BT tickets have this issue
 - May impact SIRS rates, but unclear by how much
 - IT/BT Issue being explored in DOT O&D Survey project
 - ▶ SIRS should benefit from this effort

SIRS Rates Quality Testing (cont.)

- >Phase 2 – Survey Coupon MPA Proration Accuracy
 - >Accelya provided one day of prorated coupons
 - >Files sent to the airlines for their review to spot check MPA proration
 - ▶Result: Most proration is accurate, but provisos are not being applied
 - ▶Unclear when/why Accelya updated SIRS configuration to perform SRP instead of MPA
 - ▶Accelya has updated configuration to apply MPA, including provisos effective with March 2023 sales

SIRS Rates Quality Testing

- > Accelya reprorated Jan – Mar 2023 survey coupons applying provisos and compared to original survey results
 - > Immaterial. Only four would have been different

Sales Month	Effective Month	Process details	Region A	Region B	Region D	Region E	Region F	Region G	Region H	Region I	Total
22-Nov	23-Jan	Ticket Volume	19,246	23,897	3,63,016	43,328	57,789	10,269	26,817	8,227	5,52,589
		SIRS % without Provisos	8.31%	11.20%	11.86%	8.67%	9.37%	13.75%	10.18%	8.41%	N/A
		SIRS % with Provisos	8.30%	11.14%	11.93%	8.51%	9.64%	13.47%	10.19%	8.28%	N/A
		Diff in %	0.01%	0.06%	-0.07%	0.16%	-0.27%	0.28%	-0.01%	0.13%	N/A
22-Dec	23-Feb	Ticket Volume	18,548	21,904	3,26,125	39,731	49,815	9,824	20,975	7,741	4,94,663
		SIRS % without Provisos	7.41%	10.94%	11.47%	8.48%	9%	14.02%	10.46%	8.49%	N/A
		SIRS % with Provisos	7.42%	10.88%	11.54%	8.31%	9.27%	13.64%	10.47%	8.37%	N/A
		Diff in %	-0.01%	0.06%	-0.07%	0.17%	-0.27%	0.38%	-0.01%	0.12%	N/A
23-Jan	23-Mar	Ticket Volume	20,313	30,158	4,54,813	63,896	76,880	13,338	29,112	9,846	6,98,356
		SIRS % without Provisos	6.78%	10.38%	11.03%	8.44%	8.47%	12.69%	9.71%	8.09%	N/A
		SIRS % with Provisos	6.78%	10.35%	11.10%	8.27%	8.76%	12.46%	9.72%	7.99%	N/A
		Diff in %	0.00%	0.03%	-0.07%	0.17%	-0.29%	0.23%	-0.01%	0.10%	N/A

USS Merchant Remittances

- ➔ Working with UATP and US Bank to improve the USS Merchant remittance process through ACH

DOT O&D Survey

- DOT O&D Survey reporting requirements have been updated under 14 CFR Part 241, § 19-8
 - Some of the major changes
 - From quarterly to monthly reporting
 - Sample size increases from 10% to 40%
 - Reporting airlines report their own tickets
 - Reporting airlines include ATI foreign carriers and those US carriers operating any size aircraft (60 seat aircraft size threshold removed)
 - Added Dwell time, via points and advance purchase window
- ACH Partnering with ATPCO to define requirements for a shared reporting solution through ATPCO
 - More detailed presentation to follow

Industry Initiatives

- ACH participating on several working groups exploring opportunities to improve existing processes
 - More detailed presentation to follow

The image features a white background with decorative blue geometric patterns in the corners. These patterns consist of interlocking lines forming a grid of diamond shapes, with some lines being thicker than others, creating a 3D effect. The patterns are located in the top-right and bottom-left corners.

Thank you