

HURRICANE SANDY

cuts fuel supplies



AUCKLAND AIRPORT

airlines to
ration jet fuel



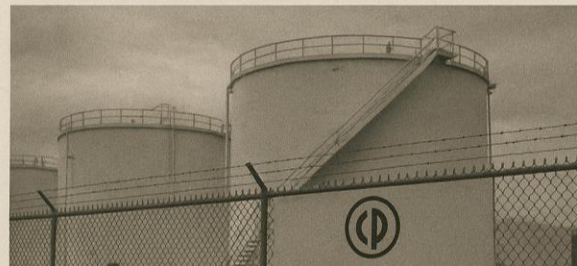
FUEL SHORTAGE at OR Tambo Airport

JANUARY 4, 2025



RANSOMWARE ATTACK

Colonial Pipeline forced
to shut down



BUNCEFIELD EXPLOSION

Massive blast at oil depot
Fire rages on after series of explosions



- **KLM - Fuel disruptions & the cost to airlines**

Dave Hedges

Regional Fuel Manager

May 13th, 2025

Royal Dutch Airlines



What can the airline do in case of fuel disruptions?

Immediate actions:

- Tankering
- Seat Blocks
- Payload Restrictions
- Source fuel at alternative sources
- Technical Fuel Stops
 - Not all airports suitable
 - Additional crew may be necessary
 - Generally higher fuel cost
 - Challenge feeder connections

If the above is not sufficient and flights need to be cancelled, the airlines are faced with significant direct & indirect costs



Passenger rights – EU261

EU261 is a European Union regulation (Regulation EC No 261/2004) that protects air passengers by setting out compensation and assistance rules for travelers in case of:

- **Flight delays**
- **Cancellations**

Notification Before Departure	Alternative Offered	Compensation Owed?
14+ days	Doesn't matter	✗ No compensation
7–14 days	You arrive no more than 4 hours later	✗ No compensation
< 7 days	You arrive no more than 2 hours later	✗ No compensation
Otherwise	—	✓ Compensation due

Compensation Amounts (based on flight distance and delay time):

- **€250** for flights up to 1,500 km.
- **€400** for flights within the EU over 1,500 km or other flights 1,500–3,500 km.
- **€600** for flights over 3,500 km.



Cost to airlines

	EU flights	Non-EU flights
Fixed cost	\$15,000	\$200,000
EU claim	\$32,000	\$185,000
Total cost	\$47,000	\$385,000

Based on missed COI per flight

Excludes:

- Rebooking pax
- Missed revenue
- Feeder loss (connecting flights)
- Loss of image
- Additional crew required technical fuel stops
- Technical fuel stop
- Higher maintenance cost



**JET FUEL
OR COCKTAIL?**

