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VIA EMAIL: secretariat@otc-cta.gc.ca

January 19, 2016

The Secretary

CANADIAN TRANSPORTATION AGENCY
15 Eddy Street
17th Floor, Mailroom
Gatineau, Quebec
Canada J8X 4B3

**SUBJECT: Mr. Christopher C. Johnson and Dr. Gábor Lukács
v. Air Canada
Case No.: 15-05627
Our File No.: LIT-2015-000544
Answer – 2nd Notice of Written Questions and Production
of Documents**

Dear Madam Secretary:

In response to Dr Lukács's questions served on January 12th, please find Air Canada's answers below:

Q4: Air Canada defines the terms "controllable" and "uncontrollable" as follows:

Controllable: Any circumstance that Air Canada has direct control or influence over.

Uncontrollable: Any circumstance outside of Air Canada's control or influence.

The definitions of the terms “controllable” and “uncontrollable” above are applied by Air Canada in respect of the Montreal Convention, the Canada Transportation Act and its Regulations and Air Canada’s Tariff.

The Complainants sought a definition of the above terms in order to fully understand the meaning of the document they have labelled the “Impugned Policy”. Air Canada provided a complete answer with the definitions above. Air Canada objects to the communication of any further Policy or Training manual, as this would be unnecessary and irrelevant for the purpose sought by the Complainants.

Q5: As will be further explained by Air Canada in its Reply to the Complaint, the “Impugned Policy”, as labelled by the Complainants is a set of Internal Recommendations for Customer Relations Representatives in handling Passenger refund requests. In the case of controllable Delays or Cancellations, contrary to uncontrollable situations, as notably appears from the Recommendations, there are no limits set for the reimbursement of travel expenses, and as such Air Canada respects the Montreal Convention (1999), the Canada Transportation Act and its Regulations and Air Canada’s Tariff. Reimbursement requests are treated on a case by case basis.

Consequently, Air Canada objects to the Complainants’ question, as there is no reimbursement limit for expenses resulting from controllable Delays and Cancellations. The methodology used to determine the internal Recommendations for Customer Relations Representatives, which can be exceeded, is irrelevant.

Q6: As will be further explained by Air Canada in its Reply, and as indicated in its Reply to Question 5 above, the Internal Recommendations provided by Air Canada to its Customer Relations Representatives do not represent Liability limits in controllable situations and can be exceeded. As such, the distinction between Regular and Premium Customers is legally irrelevant and only has to be understood on the basis of Customer Service.

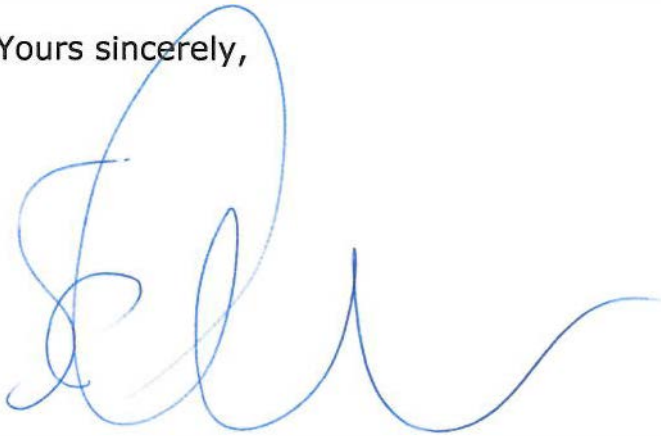
Q7: In light of the Answers above, and as will be further explained in its Reply, Air Canada has confirmed that it does not fix a lower limit of liability than what is set out in the Montreal Convention.

Q8: Please find in attachment to the present, under annex **AQ2-1**, the relevant excerpts of the current internal recommendations entitled

“Policy and Conditions” and “Compensation Grid”, which relate to Irregular Operations or schedule changes and related expenses therefrom. Air Canada objects to the communication of any change to its Recommendations between those in place at the relevant time for Mr. Johnson’s contract with Air Canada and the current applicable Recommendations. The current Recommendations are communicated for the purpose of any corrective measure to be evaluated in the present matter, if applicable. Other versions of the Recommendations are irrelevant.

All of which is respectfully submitted.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'JF Bisson-Ross', with a long horizontal flourish extending to the right.

Jean-François Bisson-Ross

Counsel – Litigation

JFBR/sa

Encl.

c.c. Dr. Gábor Lukács, Co-applicant and representative for Mr. Johnson

AQ2-1

Policy and Conditions

This document reflects the policy and process in place when Air Canada covers hotel expenses during Irregular operations, **when same day transportation cannot be provided to final destination.**

- Hotel expenses include accommodation, meals and transfers to hotel.
 - The amounts for Hotel Meal Allowances are different from the Airport Meal Allowances.
 - Airport meal vouchers are valid for 1 year from date of issue and can be redeemed at airport concessions at any airport in North America or be used to purchase Onboard Café items and alcoholic beverages.
- Applicable to **Air Canada, AC rouge, AC Express**, for departures from North America stations only.
 - For European Airports: refer to [European Community Airports – IROP/SKCH – Policy/Procedures/Compensation](#)
 - For all other international Airports: Hotel, meal, and transportation will be provided by the local station in accordance with their local guidelines.
- Eligibility for meal and hotel expenses is based on the different scenarios (see compensation grids below).
 - Eligibility is based on the initial controllable reason for the irregular operation (for example: customer's original flight takes a mechanical (controllable) and they are provided an overnight hotel, then the protection flight is cancelled due to weather (uncontrollable). Since the customer would not have been affected by weather had

they flown on their original flight, additional hotel nights would still be provided as needed).

- For employees, compensation is provided when travelling for business purposes only.
- Local boarding hotel accommodation is authorized on a case by case basis.
- Only one night provided at a time when same day transportation cannot be provided to final destination; if more nights are required, each case will be reviewed on a daily basis.
- Special case customers (customers with disabilities, UMNR, minors 12-17 travelling alone, and elderly customers) are entitled to meals and hotel accommodation regardless of the scenario (refer to [Bayshore Home Health Services For Customers With Special Needs](#)). Minors 12-17 travelling alone do not need to be accompanied in a hotel room (adjoining rooms provided) in case of irregular operations requiring overnight accommodation.
- For delay and cancellation codes, refer to [AC-IATA Delay/Cancellation Codes-Ground Delay/Stop \(GDP/GSP\)-IROP Definitions](#)

Restrictions

- Tips for taxis and other services are not reimbursed by AC.

Compensation Grid - Controllable

SCENARIO		AIRPORT MEALS (Maximum 2 meals per 24 h)		HOTEL (Overnight only)	
		*** The customer is expected to remain at the airport		See hotel meal allowances below	
		Economy (Including POS space employees)	Business Class, Premium Economy, Premium rouge Super Elite 100K (and their travel companions)	Using PSO - Do not offer taxi/limo vouchers if shuttle service is available	
Delays (Includes flights ultimately cancelled following creeping delay)	Between 2h - 5h59min	CAD10 meal voucher	CAD15 meal voucher	No	
	6h or over	Additional CAD10 meal voucher (cumulative)	Additional CAD15 meal voucher (cumulative)	On a case by case basis - Contact CJM	
Cancellations (same day only)		No same day re-protection			
		Not applicable		Not applicable	On a case by case basis - Contact CJM
		With same day re-protection			
		CAD10 meal voucher (cumulative)		CAD15 meal voucher (cumulative)	On a case by case basis - Contact CJM

Misconnections (only when on the same ticket and caused by a delayed AC or JAZZ inbound flight)	CAD10 meal voucher (cumulative)	CAD15 meal voucher (cumulative)	Yes - Contact CJM
Enroute stoppage (on same ticket and caused by a delayed AC or JAZZ outbound flight)	CAD10 meal voucher (cumulative)	CAD15 meal voucher (cumulative)	Yes - Contact CJM
Diversions	CAD10 meal voucher (cumulative)	CAD15 meal voucher (cumulative)	Yes - Contact CJM
Special Cases (customers with disabilities, unaccompanied minors, young persons aged 12-17 travelling alone, elderly customers)	If required, meals (up to 2 x CAD10 or 2 x CAD15) and overnight accommodation are authorized		Yes - Contact CJM

Compensation Grid – Uncontrollable (Effective December 7, 2015)

Includes delay codes: ANA (04), GNC (03), SEI (86), SES (85), SOA (81), SOW (98), WXD (84), WXL (71), WXR (77), WXS (75)

SCENARIO	ACCOMMODATION		
	AIRPORT MEALS (Maximum 2 meals per day) *** The customer is expected to remain at the airport	HOTEL (Overnight only - using PSO) Do not offer taxi/limo vouchers if shuttle service is available See hotel meal allowances below	
Delays (includes flights ultimately cancelled following creeping delay)	For Delays, Cancellations, Misconnections, and Enroute stoppages, AC will not provide airport meal vouchers, except for the following customers (Up to 2 x CAD10 or 2 x CAD15 meal vouchers per day): <ul style="list-style-type: none"> ● Business class (J/C/D/Z/P/R/I booking class), ● Air Canada VIP/SE100K /E75K/E50K, Star Alliance Gold, ● Customers connecting in Canada between two international flights 	Offer the Interrupted Trip Card (ACF605) - the customers can directly contact Travelliance (Canada and U.S.A.) to obtain a discounted hotel room if accommodation is necessary. AC will not provide hotel accommodation, except for the following customers: <ul style="list-style-type: none"> ● Business class (J/C/D/Z/P/R/I booking class), ● Air Canada VIP/SE100K /E75K/E50K, Star Alliance Gold, ● Customers connecting in 	
Cancellations (same day only)			
Misconnections/Enroute stoppage			

	<ul style="list-style-type: none"> Customers connecting in Canada from International to US or from US to International "Special case" customers listed below. 	<ul style="list-style-type: none"> Canada between two international flights Customers connecting in Canada from International to US or from US to International "Special case" customers listed below.
Diversions	<p>For Diversions, AC will not provide airport meal vouchers, except for the following customers (Up to 2 x CAD10 or 2 x CAD15 meal vouchers per day):</p> <ul style="list-style-type: none"> Business class (J/C/D/Z/P/R/I booking class), Air Canada VIP/SE100K /E75K/E50K, Star Alliance Gold, Customers connecting in Canada between two international flights Customers connecting in Canada from International to US or from US to International <p>"Special case" customers listed below.</p>	Yes – Contact CJM
Special Cases (customers with disabilities, unaccompanied minors, young persons aged 12-17 travelling alone, elderly customers)	Up to 2 x CAD10 or 2 x CAD15 meal vouchers per day.	Yes – Contact CJM

Uncontrollable IROP Scenarios

SCENARIOS	ACCOMMODATION	
	AIRPORT MEALS	HOTEL
Routing: YLR X/YYC YOW Scenario: Customer flew YLR-YYC, delayed due to weather, misconnects YYC-YOW, and requires overnight in YYC	NO	NO
Routing: YVR x/YUL FLL Scenario: Customer flew YVR-YUL, YUL-FLL cancels due to weather	NO	NO
Routing: LHR x/YYZ GRU Scenario: Customer flew LHR-YYZ, YYZ-GRU cancels due to weather	YES	YES

Routing: CDG x/YUL YWG Scenario: Customer flew CDG-YUL, YUL-YWG cancels due to weather	NO	NO
Routing: CDG x/YUL LGA Scenario: Customer flew CDG-YUL, YUL-LGA cancels due to weather	YES	YES
Routing: SEA x/YVR HKG Scenario Customer flew SEA-YVR, delayed due to weather, misconnects YVR-HKG and requires overnight in YVR	YES	YES
Routing: YXE x/YYZ YSJ Scenario: Customer flew YXE-YYZ, YYZ-YSJ is diverted to YFC due to weather in YSJ.	NO	YES