



U.S. Department
of Transportation
**Federal Aviation
Administration**

Office of Airports Planning
and Programming

800 Independence Ave., SW
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APR 03 2013

Mr. Ford N. Fuchigami
Deputy Director - Airports
State of Hawaii
Department of Transportation
400 Rogers Boulevard, Suite 700
Honolulu, HI 96819-1880

Dear Mr. Fuchigami:

Thank you for submitting the State of Hawaii Department of Transportation Airports Division's (DOTA) fiscal year (FY) 2013 Competition Plan Update for Honolulu International Airport (HNL). We have reviewed your Plan Update and have determined that it is in accordance with the requirements of section 155 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR-21), Pub. L. No. 106-181 (April 5, 2000), codified as Title 49 U.S. Code sections 40117(k) and 47106(f).

The HNL Competition Plan Update is required because, for calendar year 2011, (1) two air carriers account for more than 50 percent of the passenger boardings; and (2) while the Federal Aviation Administration (FAA) has approved HNL's Initial Competition Plan, HNL is required to file two Plan Updates and receive FAA's approval of each. The HNL FY 2013 Plan Update, which is HNL's first plan update, indicates that you have continued your commitment to providing accessibility to airport facilities by both incumbent and prospective new entrant air carriers.

Your Plan Update states that, consistent with the proposal in your Initial Competition Plan, you revised your Aircraft Parking and Gate Assignments policy on September 28, 2011, to eliminate, as a factor in gate assignments, an air carrier's signatory status. We commend you for revising your policy in a way that facilitates access by new entrant air carriers and carriers with limited frequencies.

Your Plan Update further states that you continue to evaluate plans to construct additional gates to meet future expansion plans for Hawaiian Airlines, and we understand that these new, PFC-financed, gates will be initially common use, but can be converted to preferential use. With respect to any PFC-financed gates, we remind DOTA that PFCs may not be used for gates that effectively are exclusively leased for more than five years. Therefore, before renewing a Revocable Permit,

DOTA should consider presenting the proposed lease or permit documents for FAA review, and also informing other air carriers (publicly) of the availability of the gates for potential preferential use to give the other air carriers an opportunity to request such use. These steps will help the airport avoid de facto exclusive use of the gates, which would be a statutory violation.

We are enclosing with this letter a chart, prepared by the FAA in November 2010, highlighting actions taken by airports covered by the competition plan requirement to reduce barriers to entry and enhance competitive access, including developing formal dispute resolution procedures and arrangements for providing uniform notification of gate availability or gate-sharing. We have distributed this chart at several airport conferences in order to demonstrate the tools airport managers are using to comply with the statutory elements of the competition plan requirement, the competitive benefits that may be achieved through implementation of these tools, and other ancillary advantages that may be derived from these tools. This chart may be of interest to you as you fully implement HNL's Competition Plan.

Please note, because DOTA has now filed an Initial Competition Plan and one Plan Update, DOTA is required to file one additional Plan Update as long as HNL remains a covered airport. Your next Plan Update will be due 18 months from the date of this letter or sooner if one of the triggering conditions occurs (see below). We will notify you before the end of your 18-month cycle as to whether you remain a covered airport. As you may know, the Secretary is required by section 40117(k) to review implementation of competition plans from time to time to verify each covered airport implements its Plan successfully. In connection with our review, we may determine that site visits to, or teleconferences with, one or more locations would be useful. We will notify you should we decide to visit HNL in connection with its Competition Plan.

Finally, FAA Program Guidance Letter (PGL) 04-08 streamlined the competition plan process by eliminating the need for a written competition plan update from a covered airport whose initial competition plan and two plan updates have been approved by the FAA, unless certain special conditions arise. PGL 04-08 identified the following two special conditions that would require the filing of a Competition Plan update:

- An airport files a competitive access report as required by section 424 of Vision 100, codified at 49 U.S.C. section 47107(s), stating it had denied access to an air carrier for gates or facilities within the last six months. Section 424 requires any medium hub or large hub airport that has denied a carrier's request or requests for access to file a report with the FAA describing the carrier's requests, providing an explanation as to why the requests could not be accommodated, and providing a time frame within which, if any, the airport will be able to accommodate the requests.
- An airport executes a new lease and use agreement, or significantly amends a lease and use agreement, including an amendment due to use of PFC financing for gates.

If you have any questions regarding this letter or the FAA's review of your Plan, please contact Mr. Joe Hebert, Manager, Financial Analysis and Passenger Facility Charge Branch, at (202) 267-8375.

Sincerely,



Benito De Leon
Director, Office of Airport Planning
and Programming

Enclosure