

JANUARY 2013



HONOLULU INTERNATIONAL AIRPORT COMPETITION PLAN UPDATE

FEDERAL FISCAL YEAR 2013

State of Hawaii Department of Transportation
Airports Division



COMPETITION PLAN UPDATE
FOR
HONOLULU INTERNATIONAL AIRPORT
Federal Fiscal Year 2013

State of Hawaii Department of Transportation - Airports Division
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PREPARED BY:
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IN ASSOCIATION WITH:
Ricondo & Associates, Inc.

1. Introduction

This section presents an introduction to the need and requirement for the State of Hawaii Department of Transportation Airports Division (DOTA) to submit an updated Competition Plan for Honolulu International Airport (HNL or Airport) to the Federal Aviation Administration (FAA).

The Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR-21), adopted on April 5, 2000, requires the sponsors of certain large- and medium-hub airports to submit a Competition Plan to the FAA, as well as to provide updates to that Competition Plan. The airports for which sponsors are required under this legislation to submit a Competition Plan ("covered airports") are characterized as having one or two airlines enplaning more than 50 percent of annual passengers. Beginning with Federal Fiscal Year (FFY) 2001, the sponsors of all covered airports are required to submit a Competition Plan or an update in order for a new Passenger Facility Charge (PFC) to be authorized for collection or a grant to be issued under the Airport Improvement Program (AIP) in that federal fiscal year.¹ Beginning in FFY 2005, the FAA limited the required updates to two updates unless special conditions occur after the second update: The covered airport 1) executes a new master use and lease agreement or significantly revises the use and lease agreement or 2) files a Vision 100 competitive access disclosure notification.

The official source of data for determining covered airports in any federal fiscal year is the U.S. DOT's Air Carrier Activity Information System (ACAIS) database. Based on numbers from this database, the Airport was a covered airport for FFY 2011, as Hawaiian Airlines and United Airlines accounted for a combined 54.7 percent of passenger enplanements at the Airport in calendar year (CY) 2009.² As a result, DOTA submitted its initial Competition Plan for the Airport to the FAA in June 2011. On August 25, 2011, the FAA determined that this initial Competition Plan was in accordance with the requirements of Section 155 of AIR-21. A copy of the initial Competition Plan for the Airport and the FAA's approval letter is posted on the Airport's website (www.hawaii.gov/hnl).

As shown in **Table 1-1** below, the Airport is also a covered airport for FFY 2013, as Hawaiian Airlines and Delta Air Lines accounted for a combined 56.8 percent of enplaned passengers at the Airport in CY 2011.³ As a

¹ The federal fiscal year is the 12-month period ending September 30.

² ACAIS data for CY 2009 was the FAA's basis for determining "covered airport" status for FFY 2011.

³ ACAIS data for CY 2011 was the FAA's basis for determining "covered airport" status for FFY 2013.

result, an updated Competition Plan for the Airport is required in order for a new PFC to be approved for collection or a grant to be issued under AIP during FFY 2013.

Table 1-1: CY 2011 Airport Enplaned Passengers

AIRLINE	ENPLANED PASSENGERS	PERCENTAGE OF TOTAL
Hawaiian Airlines	4,003,391	46.1%
Delta Air Lines	931,802	10.7%
United Airlines	878,343	10.1%
Japan Airlines	469,714	5.4%
Other Carriers	2,406,449	27.7%
Airport Total	8,689,699	100.0%

SOURCES: U.S. DOT Air Carrier Activity Information System (ACAIS) database, October 2012.

PREPARED BY: Ricondo & Associates, Inc., January 2013.

The sections that follow present DOTA's responses to suggested guidelines for updating the initial Competition Plan for the Airport, as outlined in the FAA's Program Guidance Letter 04-08 (September 30, 2004).⁴ No issues were specifically discussed in the FAA's Competition Plan approval letter dated August 25, 2011 that need to be included in the first update to the initial Competition Plan.

⁴ The Program Guidance Letter includes a requirement for an updated Competition Plan to report patterns of air service at the Airport. The FAA Modernization and Reform Act of 2012 (Public Law 112-95) eliminated this requirement.

2. Availability of Gates

This section presents responses to suggested guidelines for updating the Availability of Gates portion of the Competition Plan, as outlined in the FAA's Program Guidance Letter 04-08 (September 30, 2004).

2.1 Updated Number of Gates Available at the Airport by Lease Arrangement

As shown in **Table 2-1** below, none of the 52 gates at the Airport is exclusively assigned to any air carrier. As also shown, 24 of these gates are assigned on a preferential basis, with the remaining 28 gates maintained by DOTA on a common-use basis. The 10 preferential-use boarding gates within the sterile passenger holding area at the Commuter Terminal lead to 13 aircraft parking positions.

With the exception of Alaska Airlines, all carriers operating in the Overseas Terminal rely exclusively on common-use gates.¹ On April 3, 2012, Alaska Airlines was granted preferential-use rights to Gate 14 in the Overseas Terminal. Hawaiian Airlines has 13 preferential gates in the Interisland Terminal and the Makai Pier; while go! Airlines, Island Air, Mokulele, and Pacific Wings have preferential gates in the Commuter Terminal (four gates, four gates, one gate, and one gate, respectively).

¹ DOTA is considering a request from Hawaiian Airlines to convert Gate 26 in the Overseas Terminal from common use to preferential use.

Table 2-1: Available Gates by Lease Arrangement

LOCATION	TOTAL GATES	PREFERENTIAL GATES	COMMON USE
Overseas Terminal	29	1	28
Makai Pier	5	5	0
Interisland Terminal	8	8	0
Commuter Terminal	10	10	0
Total	52	24	28

SOURCE: State of Hawaii DOTA, January 2013.

PREPARED BY: Ricondo & Associates, Inc., January 2013.

2.2 Updated Diagram of the Airport Concourses and Current Allocation of Gates.

Since the submittal of the initial Competition Plan in June 2011, there have not been any changes to the diagram of the Airport's concourses, the existing gate locations, or locations of aircraft hardstands (see Exhibit 1 located on page 12 of the initial Competition Plan). **Table 2-2** provided at the end of this section includes the current allocations of each gate to the air carriers.²

2.3 Updated Samples of Gate-Use Monitoring Charts.

As discussed in the initial Competition Plan, DOTA does not monitor gate usage at the Interisland Terminal, the Makai Pier, or the Commuter Terminal since all 23 gates are preferential use. DOTA does monitor usage at the Overseas Terminal where 28 gates are common use and one gate is preferential use. While DOTA has been able to accommodate requests to provide additional service, DOTA has found that its gate occupancy is maximized during a portion of its daily operations peak (i.e., 10:00 AM – 2:00 PM). Outside of the peak hours, DOTA has a significant number of gates available to accommodate new or additional service. DOTA's capital program includes construction of additional gates at the Mauka end of the Interisland Terminal, which will aid in accommodating Hawaiian Airlines' business plan.³ The design for this expansion is currently at the 60% design level. The following phase, which is currently at a concept level, includes an extension to the Diamond Head concourse of the Overseas Terminal. Because DOTA's gates are not fully utilized outside of the peak

² All of the referenced tables and exhibits from this point forward are provided at the end of the chapter in which they are referenced.

³ The Mauka Concourse will provide six gatehouses, each with 2 loading bridges, and will have the flexibility to accommodate up to six ADG IV/V aircraft, or up to 11 ADG III aircraft. Each of the 12 passenger loading bridges installed at the six gatehouses at the Mauka Concourse will be capable of handling either the larger ADG IV/V aircraft or smaller ADG III aircraft.

hour period, there is not a need to constantly monitor usage unless an airline reports a problem gating an aircraft due to the assigned gate being occupied. If that happens, the airline affected reports the incident to the O'ahu District's Ramp Control Office (Ramp Control). Ramp Control investigates the incident and, if warranted, a new gate assignment chart is prepared and issued.

Ramp charts are updated for seasonal schedule changes and when any airline's schedule incurs a significant adjustment. **Exhibit 2-1** depicts the Airport's ramp operations gate charts for July 14, 2012.

2.4 Changes to Other Items Outlined in the FAA's Program Guidance Letter 04-08 (September 30, 2004) since the Initial Competition Plan was Submitted in June 2011.

- **Number and identity of any air carriers that have begun providing or stopped service.**

Since the submittal of the initial Competition Plan in June 2011, one airline discontinued service at the Airport and three airlines have initiated service at the Airport:

- In February 2012, Air Australia announced it had run out of cash and abruptly ceased all activity systemwide and shut down its operations. Air Australia provided nonstop service to Brisbane and Melbourne from the Airport.
- China Eastern Airlines initiated service at the Airport in August 2011. This airline currently provides nonstop flights to Shanghai, China three times a week from the Airport.
- Asiana Airlines initiated service at the Airport in September 2011. This airline currently provides one daily nonstop flight to Seoul, Republic of Korea from the Airport.
- Allegiant Air initiated service at the Airport in June 2012. This airline currently provides nonstop flights to west coast markets from the Airport (Bellingham, Boise, Eugene, Fresno, Las Vegas, Phoenix, Sacramento, and Spokane).

- **Gate use described as departures per gate per week and month reported for each gate.**

Table 2-3 provided at the end of this section, includes a comparison of departures by gate for the Airport for the week ending July 23, 2010 (the period evaluated in the initial Competition Plan) and July 20, 2012. As shown, there was a significant shifting of service among the gates in July 2012 compared to July 2010, as well as a total of 527 more departures in July 2012.

- **Description of any change to the process for accommodating new service.**

There has not been a change in the process for accommodating new service by an incumbent airline or a new entrant at the Airport since the submittal of the initial Competition Plan. As discussed in the initial Competition Plan, when a new carrier wants to initiate service at the Airport, they are directed to contact the Airport Manager. The Airport Manager provides the basic information about the Airport (such as fees and charges to the requesting carrier) and requests that they provide their

proposed schedule, equipment type, and facility needs. When received, the facility requirements are reviewed by the Airport Manager, and the schedule and gating needs are reviewed by the Ramp Control Unit. Those two offices work together to determine what DOTA believes to be the most efficient available facilities.⁴ The requesting carrier is then notified by the Airport Manager of the suggested facilities. The entire process normally does not take longer than 24 hours.

- **Number of new gates that have been built or are now available.**

No new gates have been built or are now available at the Airport since the submittal of the initial Competition Plan.

- **Number of gates that have been converted to common-use status.**

No gates at the Airport have been converted to common-use status since the submittal of the initial Competition Plan.

- **Gate recapture.**

No gates were recaptured by DOTA since the submittal of the initial Competition Plan in June 2011 due to an airline not meeting DOTA's minimum gate use standards for preferential gates. As discussed in the initial Competition Plan, preferential gates can be recaptured if use is less than six flights per day per individual gate or can be recaptured on 30 days' notice cancelling the Revocable Permit. The Properties office rules on a request for classifying a gate as preferential, as well as being the department that cancels a Revocable Permit.

- **Gate allocation or assignments.**

The current tenant gate allocations or assignments were presented earlier in Table 2-2 (see discussion above).

- **Remain overnight (RON) aircraft position allocation or assignments.**

As discussed in the initial Competition Plan, all RON aircraft parking positions are common use including hardstands. At the date of the submittal in June 2011, there were 55 RON aircraft parking positions and 22 aircraft hardstands located at the Airport. As also discussed, the number of these positions can vary depending on the aircraft adjacency and aircraft design group being accommodated. This configuration has not changed since the submittal of the initial Competition Plan.

⁴ For international flights, U.S. Customs and Border Protection is also requested to confirm accommodation of new service at the Airport.

TABLE 2-2
State of Hawaii DOTA
Honolulu International Airport
Competition Plan - Federal Fiscal Year 2011

CURRENT ALLOCATION OF GATES

Overseas Terminal		Interisland/Makai Pier Terminals		Commuter Terminal	
Gate	Airline ^{1/}	Gate	Airline	Gate	Airline
6	United, All Nippon, Asiana	49	Hawaiian	71	go! Airlines
7	United, All Nippon	50	Hawaiian	72	go! Airlines
8	United, Delta	51	Hawaiian	73	go! Airlines
9	United, Delta, China Eastern	52	Hawaiian	74	go! Airlines
10	United, Delta	53	Hawaiian	75	Island Air
11	United, Delta	54	Hawaiian	76	Island Air
12	United, Delta, Korean	55	Hawaiian	77	Island Air
13	United, Delta, Hawaiian, Air Pacific, Alaska	56	Hawaiian	78	Island Air
14	Alaska, United	57	Hawaiian	79	Mokulele
15	Alaska, United, Omni, Allegiant, Delta	58	Hawaiian	80	Pacific Wings
16	Alaska, American, Omni, United, Delta, Allegiant	59	Hawaiian		
17	American, Hawaiian, Japan Airlines, Allegiant	60	Hawaiian		
18	American, Delta, Allegiant	61	Hawaiian		
19	Delta, Omni, Japan Airlines, Hawaiian, US Airways, Allegiant				
20	Delta, Omni, West Jet, Hawaiian, US Airways, Allegiant				
21	Delta, Hawaiian, Omni, West Jet, US Airways				
22	Delta, Hawaiian, Omni, West Jet, Japan Airlines				
23	Delta, west Jet, Air Canada, Japan Airlines				
24	Japan Airlines, Hawaiian, West Jet, Air Canada, Delta, Air Pacific, Air New Zealand,				
25	Japan Airlines, Hawaiian, Air Canada, Air New Zealand, United, West Jet, Jet Star				
26	Japan Airlines, Hawaiian, China, Jet Star				
27	Japan Airlines, Hawaiian, China, Qantas, Jet Star				
28	Japan Airlines, Hawaiian, China, Qantas, Jet Star				
29	Hawaiian, Qantas, Phillipines, Air Pacific, Jet Star				
30	Hawaiian, US Airways, China, Korean, Jet Star				
31	Hawaiian, US Airways, China, Korean, Jet Star				
32	Hawaiian, US Airways, China, Korean, Jet Star				
33	Hawaiian, China, Jet Star, Allegiant, China Eastern				
34	Hawaiian, China, Phillipines, Jet Star, Allegiant, China Eastern				

Note:

1/ Carriers listed in order of usage amount (highest amount listed first).

Source: State of Hawaii DOTA, Icpuary 2013.

Prepared by: Ricondo & Associates, Inc., Icpuary 2013.

Exhibit 2-1: Operations Ramp Charts Sample [1 of 3]

[illegible]

Exhibit 2-1: Operations Ramp Charts Sample [2 of 3]

	Sat 14 July 2012																							
Stand/Ga	00:00	01:00	02:00	03:00	04:00	05:00	06:00	07:00	08:00	09:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	
B							5X56 5X58 744 N583U				5X36 5X38 M1													
C	721 N705AA										PO242 PO2													
D								FX1413 FX73 M1											FX948 FX802					
E									FX75 FX75 M11 N621FE												FX3875 FX1806 M11			
F																								
G	UA1212 UA81 738 N36247																	UA1670 UA1670H 738 N37255						
H										5X36 5														
I																								
J																								
90A																								
90B																								
90C																								
91A																								
91B																								
91C																								
92A																								
92B																								
92C																								
93A																								
93B																								
93C																								
95																								
96																								
97																								
98																								
AQ																								
HA																								
HCG																								
HIK01																								
HIK02																								
HIK03																								
HIK04																								
HIK05																								
HIK06																								
49							HA368H HA368				HA3		HA2	HA3	HA2			HA				HA363 HA363H		
50					HA156H HA156 717				HA12		HA341	HA3	HA	HA1	HA		HA347 HA					HA125 HA125		
51																								
52								HA1			HA175		HA38	HA5	HA		HA					HA195 HA195H 7		

Exhibit 2-1: Operations Ramp Charts Sample [3 of 3]

[illegible]

Table 2-3

State of Hawaii DOTA
Honolulu International Airport
Competition Plan Update - Federal Fiscal Year 2013

GATE UTILIZATION - WEEK ENDING JULY 23, 2010 & JULY 20, 2012

Gate	Departures (Week Ending July 23, 2010)					Departures (Week Ending July 20, 2012)					Monthly Difference
	Mon-Fri	Saturday	Sunday	Weekly	Monthly	Mon-Fri	Saturday	Sunday	Weekly	Monthly	
6	13	4	2	19	69	13	3	2	18	65	(4)
7	15	4	3	22	96	18	4	2	24	103	7
8	23	4	4	31	128	16	2	6	24	100	(28)
9	19	1	4	24	99	22	4	4	30	129	30
10	0	0	0	0	8	17	5	5	27	122	114
11	13	2	1	16	61	16	1	3	20	112	51
12	10	3	2	15	66	22	6	4	32	119	53
13	20	3	4	27	102	17	2	3	22	96	(6)
14	10	4	2	16	77	20	6	3	29	121	44
15	15	2	3	20	79	20	4	4	28	120	41
16	7	3	2	12	45	15	4	3	22	82	37
17	15	3	3	21	92	13	2	2	17	70	(22)
18	19	4	4	27	118	10	5	5	20	131	13
19	15	2	3	20	89	10	2	2	14	59	(30)
20	6	2	1	9	38	11	1	1	13	61	23
21	10	2	2	14	58	11	2	2	15	65	7
22	13	2	2	17	66	10	2	3	15	64	(2)
23	8	3	2	13	55	5	1	1	7	38	(17)
24	30	5	5	40	172	25	5	5	35	144	(28)
25	21	3	4	28	132	23	3	4	30	144	12
26	12	4	3	19	88	21	4	4	29	124	36
27	13	4	2	19	70	15	2	3	20	87	17
28	9	2	2	13	61	15	3	4	22	90	29
29	8	2	1	11	43	13	2	4	19	81	38
30	6	1	2	9	32	13	1	2	16	76	44
31	6	3	1	10	41	12	2	2	16	66	25
32	5	1	1	7	30	8	2	1	11	58	28
33	6	1	1	8	31	10	3	3	16	58	27
34	3	1	2	6	33	8	3	1	12	55	22
49	44	9	8	61	276	36	7	8	51	228	(48)
50	13	2	3	18	70	48	9	10	67	284	214
51	31	6	7	44	191	0	0	0	0	0	(191)
52	45	6	9	60	224	44	7	7	58	252	28
53	19	6	5	30	133	21	4	2	27	130	(3)
54	47	9	8	64	272	36	9	8	53	237	(35)
55	70	15	12	97	436	58	12	11	81	363	(73)
56	71	13	17	101	443	56	12	14	82	370	(73)
57	51	12	13	76	342	53	11	10	74	335	(7)
58	30	6	8	44	174	46	9	8	63	278	104
59	43	8	7	58	248	42	10	10	62	274	26
60	14	4	5	23	93	34	8	6	48	200	107
61	40	6	6	52	204	37	6	9	52	231	27
71	50	8	10	68	243	37	10	11	58	193	(50)
72	36	6	8	50	209	34	6	7	47	188	(21)
73	30	7	9	46	214	19	4	4	27	166	(48)
74	23	7	4	34	164	10	3	3	16	103	(61)
75	0	0	0	0	20	0	0	0	0	2	(18)
76	31	6	7	44	220	21	5	6	32	165	(55)
77	1	0	0	1	2	0	0	0	0	11	9
78	1	2	2	5	12	1	0	2	3	15	3
79	71	14	14	99	393	86	19	16	121	489	96
80	0	0	0	0	15	10	2	0	12	50	35
	1,111	227	230	1,568	6,677	1,158	239	240	1,637	7,204	527

Source: Gate Management System, Honolulu International Airport, May 2011 and K uary 2013.

Prepared by: Ricondo & Associates, Inc., May 2011 and K uary 2013.

3. Leasing and Subleasing

This section presents responses to suggested guidelines for updating the Leasing and Subleasing portion of the Competition Plan, as outlined in the FAA's Program Guidance Letter 04-08 (September 30, 2004).

3.1 Copies of Amended Lease and Use Agreements

There were no changes to the 2007 First Amended Lease Extension Agreement since the initial Competition Plan was submitted.

3.2 Description of Any Major Changes Since the Submittal of the Initial Competition Plan

- **Contractual arrangements**

There were no changes to contractual arrangements at the Airport since the initial Competition Plan was submitted.

- **Policies and procedures for monitoring sublease fees and arrangements**

There were no changes to policies and procedures for monitoring sublease fees and arrangements at the Airport since the initial Competition Plan was submitted.

- **Availability of third-party ground service providers or Airport policies governing third-party ground service provider access to the Airport.**

There were no changes in the availability of third-party ground service providers at the Airport or in Airport policies regarding their access to the Airport since the initial Competition Plan was submitted.

3.3 Resolution of Any Disputes between Carriers Relating to Access

No disputes have arisen between carriers relating to access at the Airport since the initial Competition Plan was submitted.

4. Gate Assignment Policy

This section presents responses to suggested guidelines for updating the Gate Assignment Policy portion of the Competition Plan, as outlined in the FAA's Program Guidance Letter 04-08 (September 30, 2004).

4.1 Description of Any Major Changes Since the Submittal of the Initial Competition Plan

- **Gate assignment policies**

At the time of the FAA's approval of the initial Competition Plan in August 25, 2011, the gate assignment policies at the Airport, which were effective June 1, 1985, was entitled "Aircraft Parking and Gate Assignments" (Policy). On September 28, 2011, the Policy was amended by the O'ahu District Office (District Office) with the following revisions:

- Item 1(A)(2): Replaced "Japan destined" with "Foreign arrivals".
- Item 1(A)(5): Deleted "Carrier signatory status".
- Item 1(A)(3): Added "Inter-Island arrivals/departures not cleared by the United States Department of Agriculture (quarantine regulations)".

The revised Policy is included at the end of this Section 4. As also discussed in the initial Competition Plan, the District Office does re-spot airlines (after an allowed 3 hours at the gate) whenever needed, and the airlines have been cooperative to requests from the District Office.

- **RON position assignment policies**

There were no changes in RON assignment policies at the Airport since the initial Competition Plan was submitted. As discussed in Section 4.4 of the initial Competition Plan, all RON aircraft parking positions are common use and assigned by the person on duty in the District Office's Ramp Control Office, subject to the revised Policy regarding aircraft parking priorities.



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION – OAHU DISTRICT
HONOLULU INTERNATIONAL AIRPORT
300 RODGERS BOULEVARD, #12
HONOLULU, HAWAII 96819-1830

September 28, 2011

AIRPORT NOTICE #11-035

TO: ALL CONCERNED

SUBJECT: REVISED AIRCRAFT PREFERENTIAL GATE USE AND AIRCRAFT PARKING
CRITERIA

The Honolulu International Airport's (HNL) was recently required to submit a Competition Plan to the Federal Aviation Administration (FAA). The purpose of the Competition Plan is to ensure that HNL provides reasonable access to airport facilities to both incumbent and prospective new entrant air carriers.

HNL received FAA approval on September 28, 2011.

The following revisions to HNL's Aircraft Preferential Gate Use and Aircraft Parking Criteria of May 16, 1985 are requirements of the Competition Plan and effective immediately:

1. Item I A 2: Replaced "Japan destined" with "Foreign arrivals".
2. Item I A 5: Deleted "Carrier signatory status".
3. Item I A 3: Added "Inter-Island arrivals/departures not cleared by the United States Department of Agriculture (quarantine regulations)."

All carriers and aircraft operators subject to the conditions outlined under the revised procedures are advised to carefully review those conditions which may affect their particular activities and prepare to adjust operations accordingly.

Gate and parking assignments shall continue to be made through Ramp Control, PAX 6603.

If you have any questions regarding the revisions, please contact Mr. Deane Kadokawa, Landside Operations Manager, at 836-6533.

James W. Pratt
Manager
Oahu District Airports

Enclosure

AIRCRAFT PARKING AND GATE ASSIGNMENTS

Aircraft parking and gate assignments in all non-exclusive, State controlled areas at Honolulu International Airport are administered by the State Airports Division through the Oahu District Ramp Control Unit.

Assignments will be made in a manner which will permit the airport authority maximum flexibility in obtaining the highest and best use of available gate or aircraft storage or parking positions from both an operational and economic standpoint.

Preference on gate/parking will be based on factors which will identify and establish priority distinction between competing operators which will enable parking assignments to be made in the best interest of the airport. Although a preferred priority ranking is established, conditions occurring at the time of gate assignment may require readjustment of the listed factors to enable more effective utilization of available gate/parking positions.

I. MAIN TERMINAL AREAS ASSIGNMENT FACTORS IN PREFERRED ORDER OF PRIORITY ARE AS FOLLOWS:

A. Primary

Priority for assignments will include but not be limited to the following factors:

1. Frequency of a carrier's operation or activity during the daytime period in which assignment is sought as identified by the following periods:
 - a. Early morning to early afternoon – (0600 – 1400)
 - b. Early afternoon to late evening – (1400 – 2300)
 - c. Late evening to early morning – (2300 – 0600)
2. **Foreign arrivals** during period a. above: Early morning to early afternoon (0600 – 1400).
3. **Inter-Island arrivals/departures not cleared by the United States Department of Agriculture (quarantine regulations).**
4. Aircraft arriving from foreign destinations with scheduled departure to foreign destinations.
5. Aircraft size and passenger load.

6. Carrier gate preference.
7. Carriers operating under "true progressive" transit mode under passenger gate sterility requirements observed due to U.S. border clearance regulations.
8. Aircraft arriving from foreign destinations with scheduled departures for domestic destinations.
9. Aircraft arriving from domestic destinations with scheduled departures for foreign destinations.
10. Operational sanctions.

B. Secondary Factors

1. Requested side-by-side gate positioning.
2. Gate restrictions/limitations.
3. Scheduled ground time:
 - a. Carriers with scheduled ground times in excess of three (3) hours duration may be subject to re-spot to provide active use of gate for passenger movement.
 - b. Passenger movements shall have preference over storage, layover, or originating departure requirements.
4. Livestock shipment:

Livestock shipments shall be assigned to South Ramp parking positions.

 - a. Carriers shall be required to provide any necessary sanitation control measures resulting from the transfer of livestock, poultry, swine, horses, or other animal shipments.
 - b. All quarantine and animal importation/laws, rules, regulations and procedures shall be observed to include State agricultural inspection requirements.
 - c. Carriers shall be responsible for providing security and control of animals to prevent their release onto public or operational areas of the airport.

5. Hazardous Cargo:

- a. All carriers shall provide prior notification to airport management of intention to deliver, store or transfer hazardous material by providing a copy of the shipping document or certificate which identifies the type, shipping name, quantity, classification, Department of Transportation hazardous material identification number and any special handling instructions.
- b. Aircraft consigned with hazardous materials and explosives in quantities deemed inappropriate or potentially hazardous to adjacent operation with passenger activity shall be assigned to isolated gate or parking positions.
- c. Appropriate security and safety measures shall be undertaken by the carrier in the handling, storage, loading or unloading of hazardous material.

II. OTHER OPERATIONAL CRITERIA

- A. Carriers will immediately advise Ramp Control in the event of a delay which extends scheduled departure times. Ramp Control shall endeavor to accommodate short-term gate delays that will not affect follow-on use as determined by priority factors.
 1. In the event a departure delay occurs which will affect follow-on activity, the carrier experiencing or causing the delay will be relocated to allow scheduled operational use of the gate.
 2. In the event a carrier is temporarily delayed at a gate due to ATC hold or other similar short-term problem, the carrier may be subject to scheduled departure from the gate to make the space available for a planned follow-on arrival. Delayed departures shall not maintain possession of gate positions at the expense of scheduled follow-on users.
- B. Carriers should not anticipate access/entry into a gate position in advance of their scheduled ETA. Advanced entry into parking positions will only be made if such access does not interfere with normally scheduled activity. In the event early access is not possible, the early arriving carrier will be required to await entry into the assigned gate at the designated time or accept alternate parking arrangements. Alternate arrangements will only be provided if such parking will not disrupt or interfere with later scheduled use of the alternate gate position.

- C. Gate assignment exemptions may be granted to accommodate special events or protocol flights, but shall be subject to prior coordination and approval by airport management. Placement will be effected to minimize to the greatest extent possible disruption to scheduling.
- D. Carriers will immediately advise Ramp Control of known or anticipated delays and include accurate status updates which will enable schedule planning. Effort will be made to accommodate carriers affected by delays, however, only in a manner which will minimize or avoid disruption to another carrier's operations.
- E. Aircraft major maintenance or major repair activities are not permitted in gate areas. Only turnaround servicing and minor repair work which will not affect scheduled use of gate positions will be permitted at terminal gate positions.

III. OPERATING SANCTIONS

Operators which repeatedly fail to adhere to scheduled gate use times or repeatedly affect or interfere with the planned and scheduled use of gates, or parking positions by other operators, will be subject to written notification by airport management regarding the problem conditions. Three or more notifications occurring within any 60-day period shall result in the carrier being temporarily removed from use of their desired gate parking positions for a period of 30 days. In the event continuing difficulties are experienced, the offending carrier shall be subject to permanent reassignment without regard to their particular operations considerations.

IV. NORTH RAMP GENERAL AVIATION AND SOUTH RAMP AREAS

Primary

Priority for assignments will include but not be limited to the following:

1. Security and/or safety considerations.
2. Operators desiring to engage in the parking or storage of aircraft which is compatible with the designated use of such areas shall be favored over non-conforming users.
3. Aircraft size, type and passenger load status.
4. Operator signatory status.
5. Operator preference

6. Operational sanctions.

The airport authority shall exercise final determination with respect to all gate assignments or parking. While effort will be made to accommodate individual operator preferences, effort will be based on criteria established under this section in a manner which will be in the best interest of the airport.

5. Gate Use Requirements

This section presents responses to suggested guidelines for updating the Gate Use Requirements portion of the Competition Plan, as outlined in the FAA's Program Guidance Letter 04-08 (September 30, 2004).

5.1 Requirements for Signatory Airline Status

There were no changes in the requirements for Signatory Airline status at the Airport since the initial Competition Plan was submitted. As discussed in the initial Competition Plan, the only requirements to become a Signatory Airline at the Airports System are (1) the execution of the Airport-Airline Lease Agreement, as amended and extended from time to time and (2) the provision of the appropriate security deposits and insurances.

As of May 2011, there were 24 Signatory Airlines at the Airport. As of January 2013, there were 29 Signatory Airlines at the Airport, as the following changes occurred since the initial Competition Plan was submitted:

- Between June 2011 and January 2013, the following airlines became signatory to the Airport-Airline Lease Agreement at the Airport:
 - Allegiant Air
 - Aloha Air Cargo
 - Asiana Airlines
 - Atlas Air
 - Island Air
 - Omni Air International
- Continental merged with United and operates under a single operating certificate as United Airlines.

5.2 Lease Requirements

There were no changes in lease requirements at the Airport since the initial Competition Plan was submitted. Minimum leasing conditions are included in Section E of the 2007 First Amended Lease Extension Agreement

(Facility Use) provided in Appendix C of the initial Competition Plan. Also see the responses to Sections 1.8 and 1.12 of the initial Competition Plan for further clarification of the lease requirements at the Airport.

5.3 Common-Use Gate Priorities

There were no changes in Common-Use Gate priorities at the Airport since the initial Competition Plan was submitted. See responses to Section 2 of the initial Competition Plan regarding common-use gate priorities at the Airport.

5.4 Gate Use Monitoring

There were no changes in gate use monitoring at the Airport since the initial Competition Plan was submitted. See response to Section 1.3 in the initial Competition Plan regarding gate use monitoring at the Airport.

5.5 Calculation of Rental Rates and Common-Use Fees

There were no changes in the calculation of rental rates and common-use fees since the initial Competition Plan was submitted. As discussed in the initial Competition Plan, rental rates and common-use fees are calculated as follows:

- The Terminal Rental Rate for the Overseas Terminal and Interisland Terminal, which is calculated using a cost center residual methodology, is adjusted annually in the following manner:
 - The Terminal Requirement includes the following items related to the Airport's Terminal Building cost center: (1) direct and allocated indirect operating and debt service expenses, (2) pro rata portion of total annual Major Maintenance, Renewal and Replacement Account deposit, and (3) total annual O&M Reserve Account deposit LESS (4) any deposit from the future debt service account, (5) PFC revenues allocated to pay direct and indirect debt service expenses, and (7) terminal concession revenues.
 - The Terminal Rental Rate is calculated by dividing the Terminal Requirement by Leased Space.
- With regard to common-use space at the Airport, 100 percent of the specified charge is prorated among the airlines operating at the Airport based on their percentage of enplaned passengers during the most recent month for which such data are available.
- The Terminal Rental Rate for the Commuter Terminal is determined by appraisal.

6. Financial Constraints

This section presents responses to suggested guidelines for updating the Financial Constraints portion of the Competition Plan, as outlined in the FAA's Program Guidance Letter 04-08 (September 30, 2004).

6.1 Major Sources of Revenues for Terminal Projects

There were no changes in DOTA's major sources of revenues for terminal projects at the Airport since the initial Competition Plan was submitted. As discussed in the initial Competition Plan, the primary sources of revenue at the Airport for terminal-related capital projects include:

- General Airport Revenue Bonds backed by Airports System revenues
- PFC pay-as-you-go proceeds
- Unrestricted Airports System revenues
- Investment earnings

6.2 Use of PFCs for Gates and Related Projects

Since the initial Competition Plan was submitted, no terminal-related projects at the Airport were approved by the FAA to be funded, in part, with PFC revenue.

6.3 Availability of Discretionary Income for Airport Capital Improvement Projects

There were no changes in the availability of discretionary income at the Airport since the initial Competition Plan was submitted. As of June 30, 2012 (the last day of Fiscal Year 2012), the Unrestricted Capital Improvement Fund had an ending balance of approximately \$161 million. The breakout of this \$161 million is as follows:

- Unrestricted Funds (Encumbered) for Capital Improvement Plan (CIP) - \$39 Million
 - Funds encumbered for capital improvement projects.
 - \$29 million is encumbered for CIP program.
 - \$10 million is encumbered for federal CIP program.
- Unrestricted Funds (Unencumbered) Available for CIP - \$122 Million
 - Funds capital projects and presently serving as a source of liquidity before issuing airport revenue bonds.
 - \$87 million is reserved for future years' cash-designated CIP projects to be determined by Airports Division's Engineering Department (AIR-E).
 - Unencumbered \$35 million Special State CIP Accounts are for allotted projects.

7. Airport Controls Over Capacity

This section presents responses to suggested guidelines for updating the Airport Controls Over Capacity portion of the Competition Plan, as outlined in the FAA's Program Guidance Letter 04-08 (September 30, 2004).

7.1 Major Changes to Rates and Charges Policy

There were no changes in the Signatory Airlines rates and charges methodology for the Airports System, as provided in the 2007 First Amended Lease Extension Agreement, which is an amendment to the 1994 Lease Extension Agreement, which was an extension of the 1962 Airport-Airline Lease Agreement. **Exhibit 7-1** presents the rates and charges at the Airports System effective July 1, 2012 through June 30, 2013.

7.2 Projects Delayed or Prevented Due To MII

Notwithstanding the MII clauses contained in the 1994 Lease Extension Agreement regarding Additional Capital Improvements, there have not been any Capital Improvements delayed or prevented at the Airport due to MII since the initial Competition Plan was submitted.

7.3 Plans To Modify MII Clauses

As discussed in the initial Competition Plan, there are no current plans to modify the existing MII provision. As also discussed, there has never been an instance that the air carriers denied a project and the provision is fairly reasonable in that it allows for a second chance for approval and an automatic approval after a one-year deferral. If DOTA were to find the MII provision to be an obstruction, it might seek alternatives to it.

**Exhibit 7-1: Signatory Carrier Rates and Charges
Hawaii Airports System
(effective July 1, 2012)**

Description	Rate	
LANDING FEE RATE		
Overseas	\$ 3.56	per 1,000 pounds approved maximum landed weight
Interisland	\$ 1.46	per 1,000 pounds approved maximum landed weight
AIRPORTS SYSTEM SUPPORT CHARGE		
Overseas	\$ 0.00	per 1,000 pounds approved maximum landed weight
Interisland	\$ 0.00	per 1,000 pounds approved maximum landed weight
TERMINAL USE RATES		
HONOLULU INTERNATIONAL		
Terminal Rental Rate	\$ 57.27	per square foot per year
Joint Use Holdroom Rate	\$ 1.36	per enplaned passenger
Joint Use Baggage System Rate	\$ 3.82	see reporting form section 3 for details
International Arrival Area Rate	\$ 7.45	per deplaned passenger using international facilities
Commuter Terminal Joint Use Holdroom Rate	\$ 1.13	per enplaned passenger
Commuter Terminal Joint Use Baggage System Rate	\$ 0.87	per deplaned passenger
KAHULUI		
Terminal Rental Rate	\$ 94.10	per square foot per year
Joint Use Holdroom Rate - Overseas	\$ 3.26	per enplaned passenger
Joint Use Holdroom Rate - Interisland	\$ 1.34	per enplaned passenger
Joint Use Baggage System Rate	\$ 1.43	see reporting form section 3 for details
KONA INTERNATIONAL AT KEAHOLE		
Terminal Rental Rate	\$ 33.79	per square foot per year
Joint Use Holdroom Rate - Overseas	\$ 1.21	per enplaned passenger
Joint Use Holdroom Rate - Interisland	\$ 0.50	per enplaned passenger
Joint Use Baggage System Rate	\$ 1.16	see reporting form section 3 for details
International Arrival Area Rate	\$ 7.45	per deplaned passenger using international facilities
LIHUE		
Terminal Rental Rate	\$ 58.57	per square foot per year
Joint Use Holdroom Rate - Overseas	\$ 1.33	per enplaned passenger
Joint Use Holdroom Rate - Interisland	\$ 0.55	per enplaned passenger
Joint Use Baggage System Rate	\$ 1.76	see reporting form section 3 for details
HILO INTERNATIONAL		
Terminal Rental Rate	\$ 33.13	per square foot per year
Joint Use Holdroom Rate - Overseas	\$ 7.20	per enplaned passenger
Joint Use Holdroom Rate - Interisland	\$ 2.95	per enplaned passenger
Joint Use Baggage System Rate	\$ 1.17	see reporting form section 3 for details

**Exhibit 7-1: Nonsignatory Commercial Air Carrier Rates and Charges
Hawaii Airports System
(effective January 1, 2012)**

Description	Rate	
LANDING FEE RATE		
Overseas	\$ 5.29	per 1,000 pounds approved maximum landed weight
Interisland	\$ 2.11	per 1,000 pounds approved maximum landed weight
TERMINAL USE RATES		
HONOLULU INTERNATIONAL		
Terminal Rental Rate	\$ 76.25	per square foot per year
Joint Use Holdroom Rate	\$ 2.33	per enplaned passenger
Joint Use Baggage System Rate	\$ 4.91	per deplaned passenger
International Arrival Area Rate	\$ 12.89	per deplaned passenger using international facilities
Commuter Terminal Joint Use Holdroom Rate	\$ 1.41	per enplaned passenger
Commuter Terminal Joint Use Baggage System Rate	\$ 1.09	per deplaned passenger
KAHULUI		
Terminal Rental Rate	\$ 111.11	per square foot per year
Joint Use Holdroom Rate - Overseas	\$ 4.29	per enplaned passenger
Joint Use Holdroom Rate - Interisland	\$ 1.71	per enplaned passenger
Joint Use Baggage System Rate	\$ 1.83	per deplaned passenger
KONA INTERNATIONAL AT KEAHOLE		
Terminal Rental Rate	\$ 43.79	per square foot per year
Joint Use Holdroom Rate - Overseas	\$ 1.69	per enplaned passenger
Joint Use Holdroom Rate - Interisland	\$ 0.68	per enplaned passenger
Joint Use Baggage System Rate	\$ 1.68	per deplaned passenger
International Arrival Area Rate	\$ 12.89	per deplaned passenger using international facilities
LIHUE		
Terminal Rental Rate	\$ 77.54	per square foot per year
Joint Use Holdroom Rate - Overseas	\$ 2.28	per enplaned passenger
Joint Use Holdroom Rate - Interisland	\$ 0.91	per enplaned passenger
Joint Use Baggage System Rate	\$ 2.41	per deplaned passenger
HILO INTERNATIONAL		
Terminal Rental Rate	\$ 48.08	per square foot per year
Joint Use Holdroom Rate - Overseas	\$ 7.63	per enplaned passenger
Joint Use Holdroom Rate - Interisland	\$ 3.65	per enplaned passenger
Joint Use Baggage System Rate	\$ 1.73	per deplaned passenger

**Exhibit 7-1: Nonsignatory Air Operator Rates and Charges
Hawaii Airports System**

Description		Rate
LANDING FEE RATE		
Overseas (including Airports System Support Charge)	\$ 3.598	per 1,000 pounds approved maximum landed weight
Interisland (including Airports System Support Charge)	\$ 1.152	per 1,000 pounds approved maximum landed weight
OTHER RATE WHEN APPLICABLE *		
HONOLULU INTERNATIONAL		
Overseas Terminal joint use	\$457.344	per turn
Interisland Terminal joint use	\$ 69.375	per turn
International arrival area	\$ 3.346	per deplaned passenger using international facilities

* For other terminal exclusive space and other rates, see Procedure 4.5.

8. Common-Use Gates

This section presents responses to suggested guidelines for updating the Common-Use Gates portion of the Competition Plan, as outlined in the FAA's Program Guidance Letter 04-08 (September 30, 2004).

8.1 Existing Common-Use Gates

Since the initial Competition Plan was submitted, DOTA granted preferential use of Gate 14 in the Overseas Terminal to Alaska Airlines. As discussed earlier in Section 2.1, 28 gates in the Overseas Terminal are maintained by DOTA on a common-use basis. The remaining one gate in the Overseas Terminal and the 23 gates in the Makai Pier, Interisland Terminal, and Commuter Terminal are assigned on a preferential basis.

8.2 Construction or Acquisition of Additional Common-Use Gates

No common-use gates were constructed or acquired at the Airport since the initial Competition Plan was submitted.

8.3 Carriers Utilizing Common-Use Gates Exclusively

There were no changes in carriers utilizing common-use gates exclusively at the Airport since the initial Competition Plan was submitted. As discussed earlier in Section 2.1, all but one carrier operating in the Overseas Terminal rely exclusively on common-use gates. Alaska Airlines has one preferential-use gate in the Overseas Terminal; Hawaiian Airlines has 13 preferential gates in the Interisland Terminal and the Makai Pier; while go! Airlines, Island Air, Mokulele, and Pacific Wings have preferential gates in the Commuter Terminal (four gates, four gates, one gate, and one gate, respectively).

8.4 International/Domestic Service Gate Utilization

There were no changes in international/domestic service gate utilization at the Airport since the initial Competition Plan was submitted. As shown earlier in Table 2-2, Gates 24 through 34 are given priority for international flights. Gates 12 and 13 also accommodate international flights. All of these gates are available for domestic overseas service. International service was provided at the Central Concourse (Gates 14 through 23); however, busing was required to the Federal Inspection Station (FIS) and, therefore, not a preferred option.

