



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

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IN REPLY REFER TO:

AIR-ER
18.0192

November 2, 2018

Airlines for America
1275 Pennsylvania Avenue, NW
Suite 1300
Washington, District of Columbia 20004-1707

Dear Gentlemen:

Subject: Air Carrier Consultation Meeting – Monday, December 10, 2018
Proposed Amendment to Passenger Facility Charge Application Nos. 13-05-C-00-***
and Proposed Passenger Facility Charge Application Nos. 19-08-C-00-***

The State of Hawaii (State) has scheduled a Passenger Facility Charge (PFC) Air Carrier Consultation Meeting for Monday, December 10, 2018. This letter provides the air carriers with a minimum 30-day notification period prior to the consultation meeting as required by Section 158 of Title 14 of the Code of Federal Regulations (Title 14 CFR Part 158), "Passenger Facility Charges" (effective June 28, 1991).

The State plans to submit to the Federal Aviation Administration (FAA) a new amendment to PFC Application Nos. 13-05-C-00-*** and a new PFC Application Nos. 19-08-C-00-*** by April 1, 2019. For the new amendment, the revised charge expiration date is expected to end January 1, 2020. For the new application, the charge effective date is expected to begin on July 1, 2032. In order to meet this schedule and to comply with the requirements of Title 14 CFR Part 158, the State has scheduled this Air Carrier Consultation Meeting to first, discuss the new amendment to PFC Application Nos. 13-05-C-00-*** and then, discuss a new PFC Application Nos. 19-08-C-00-***. The State will accept comments on all proposed actions contained in this notice for a period of up to 30 days after the meeting.

As required by Title 14 CFR Section 158.23, this notice is being provided to all air carriers operating at Daniel K. Inouye International Airport (HNL), Kahului Airport (OGG), Ellison Onizuka Kona International Airport at Keahole (KOA), Lihue Airport (LIH), and Hilo International Airport (ITO). The following paragraphs provide the information required under Section 158.23 for notice to the air carriers serving these airports.

PFC Level, Effective and Expiration Dates, and Total Projected PFC Revenue for the Proposed Amendment to PFC Application Nos. 13-05-C-00-***

The State intends to file an amendment to PFC Application Nos. 13-05-C-00-*** to withdraw two approved projects, increase the PFC amount for four approved projects by more than 25 percent of the original approved amount, and to revise each airport's prorated collection percentage of the total approved PFC amount. The impose and use of \$4.50 PFC at HNL, OGG, KOA, LIH and ITO and the charge effective date of February 1, 2014 from the approved PFC Application Nos. 13-05-C-00-*** remain unchanged in this proposed amendment. The total amount of PFC revenue estimated to be collected under this proposed amendment is \$230.9 million. The total amount of PFC revenue estimated to be used under this proposed amendment is \$117.2 million. As a result, the estimated PFC over-collection amount is \$113.7 million. From this PFC over-collection amount, \$73.7 million will be put towards the approved projects in PFC Application Nos. 18-07-C-00-*** and an estimated \$40.0 million will be distributed among the approved projects in PFC Application Nos. 13-05-C-00-*** to reconcile the final project costs as required to close the application.

The estimated charge expiration date is January 1, 2020. The PFC charge expiration date was estimated by taking the \$4.50 PFC imposed amount, subtracting 11 cents per-enplaned passenger, then multiplying by the projected PFC-eligible enplanement estimates. In Hawaii, approximately 83 percent of the total overseas enplanements are estimated to be PFC-eligible.

Description of Projects for the Proposed Amendment to PFC Application Nos. 13-05-C-00-***

The projects in PFC Application Nos. 13-05-C-00-*** are described in Attachment A.

Amendment to PFC Application Nos. 13-05-C-00-* contains the following previously approved "Impose and Use" projects to be withdrawn:**

New Mauka Concourse – Aircraft Parking Apron at HNL
New Mauka Concourse at HNL

Amendment to PFC Application Nos. 13-05-C-00-* contains the following previously approved "Impose and Use" projects to be increased by more than 25 percent:**

Runway 4L Edge Lighting at HNL
Overseas Terminal (OST) 2nd Level Roadway Improvements at HNL
Terminal Improvements to Shuttle Stations Between Gates 6 to 62 at HNL
HNL – OST Terminal Metal Roof Replacement at HNL

Amendment to PFC Application Nos. 13-05-C-00-* contains the following previously approved “Impose and Use” projects that remains unchanged:**

Runway 8R-26L Pavement Rehabilitation at HNL
Runway 4R Pavement Improvements at HNL
Overseas Terminal – Loading Bridges (Gates 29 – 34) at HNL
New ARFF Facility at ITO
ITO Access Control & CCTV System at ITO
New ARFF Facility at KOA
KOA Access Control & CCTV System at KOA
Stand Alone PFC Administrative Cost at HNL

Amendment to PFC Application Nos. 13-05-C-00-* contains the following previously approved “Impose Only” project that remains unchanged:**

Land Acquisition – Impose Only at OGG

For each project contained in PFC Application Nos. 13-05-C-00-*** and the proposed amendment, a brief description, justification, cost detail, sources of funding, and start and completion dates can be found in PDF format on the State’s website at:

<http://hidot.hawaii.gov/airports/doing-business/engineering/passenger-facility-charge/>

PFC Level, Effective and Expiration Dates, and Total Projected PFC Revenue for the Proposed PFC Application Nos. 19-08-C-00-***

The State intends to file an application to impose and use a \$4.50 PFC at HNL, OGG, KOA, LIH, and ITO. The proposed charge effective date is estimated to be July 1, 2025. The total amount of PFC revenue estimated to be collected at \$4.50 under this proposed PFC Application Nos. 19-08-C-00-*** is \$186.4 million.

The estimated charge expiration date is July 1, 2029. The estimated PFC charge expiration date was estimated by taking the \$4.50 PFC imposed amount, subtracting 11 cents per-enplaned passenger, then multiplying by the projected PFC-eligible enplanement estimates. In Hawaii, approximately 83 percent of the total overseas enplanements are estimated to be PFC-eligible.

Description of Projects for the Proposed PFC Application Nos. 19-08-C-00-***

The projects proposed in PFC Application Nos. 19-08-C-00-*** to be funded by PFCs at HNL, OGG, KOA, LIH, and ITO are described in Attachment B.

PFC Application Nos. 19-08-C-00-* contains the following proposed “Impose and Use” projects:**

New Mauka Concourse – Aircraft Parking Apron at HNL
New Mauka Concourse at HNL
Stand Alone PFC Administration Cost at HNL

A brief description of each project, its justification, start and completion dates, cost detail, and sources of funding is available in PDF format on the State’s website at:

<http://hidot.hawaii.gov/airports/doing-business/engineering/passenger-facility-charge/>

Request that a Class of Carriers not be required to collect PFCs in Amendment to PFC Application Nos. 13-05-C-00-* and PFC Application Nos. 19-08-C-00-*****

No exclusion will be requested in the proposed amendment to PFC Nos. 13-05-C-00-*** and the proposed PFC Nos. 19-08-C-00-*** by the State. All Interisland flights are categorically excluded from collecting PFCs as part of AIR 21.

Date and Location of Air Carrier Consultation Meeting [Section 158.23(a)(4)]

Date: **Monday, December 10, 2018**
Time: 10:00 a.m., Hawaii Standard Time (HST)
Location: Daniel K. Inouye International Airport
Terminal 1 – 7th Floor
Conference Center – Room 3
Honolulu, Hawaii

Acknowledgment [Section 158.23(c)]

Air carriers are **required** to provide the public agency with a written acknowledgement of receipt of this notice within 30 days.

Certification of Agreement/Disagreement

The State will accept comments on all proposed actions contained in this notice for a period of up to 30 days after the meeting, *i.e.*, **Wednesday, January 9, 2019.**

Within 30 days following the meeting, each carrier **must** provide a written certification of its agreement or disagreement of the proposed projects in the new amendment to PFC Nos. 13-05-C-00-*** and the new PFC Application Nos. 19-08-C-00-***. The certification must include the reasons for disagreement, and absence of a reason shall void a certification of

disagreement. If a carrier fails to provide a timely acknowledgement of notice or certification of agreement or disagreement with a proposed project, the carrier is considered to have certified its agreement.

To provide a written acknowledgement, request a copy of the project information, raise any questions or discuss any issues relating to the actions detailed in this letter prior to the consultation meeting on December 10, 2018, please contact:

Mr. Shu Ki Tsang
PFC Coordinator
State of Hawaii
Department of Transportation, Airports Division
Daniel K. Inouye International Airport
400 Rodgers Boulevard, Suite 700
Honolulu, Hawaii 96819
Email: shuki.tsang@hawaii.gov

We look forward to seeing you or your representative at the Air Carrier Consultation Meeting.

Sincerely,



JADE T. BUTAY
Director of Transportation

Attachments: Attachment A and Attachment B

c: Ms. Kandyce Watanabe, Federal Aviation Administration
Mr. Rod Aoki, Hawaii Airline Liaison Office

CERTIFIED MAIL – RETURN RECEIPT REQUESTED