



Metropolitan Airports Commission

6040 28th Avenue South, Minneapolis, MN 55450-2799 • 612-726-8100 • metroairports.org
Office of Executive Director/CEO

February 13, 2017

Elliott Black
Director, Office of Airport Planning & Programming
U.S Department of Transportation
Federal Aviation Administration
800 Independence Ave. SW
Washington, DC 20591

Dear Mr. Black:

I have received your letter dated January 12, 2017, responding to the Metropolitan Airports Commission (MAC) submission of our 2016 Competition Plan Update. Thank you for your review and acceptance of our Update and confirmation that the Minneapolis - St. Paul International Airport (MSP) continues to be in compliance with the requirements of section 155 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR 21).

Your letter requested response within 30 days regarding two items:

1. Whether any part of the existing G Concourse was financed by PFC revenues and whether PFC financing for the extension of the G concourse has included anything beyond site preparation.
2. An update regarding MAC's consideration for establishing a dispute resolution system as contemplated in MAC's FY 2004 Competition Plan Update.

DOT's letter dated 12-29-2008, which approved our 2008 Competition Plan Update, also requested information regarding these two items. MAC responded via letter on February 23, 2009. Both letters are enclosed for your reference.

I am able to report again that the only portion of Concourse G that has been constructed with PFC's is the International Arrivals Facility (IAF). No other portion of Concourse G that is utilized by Delta Air Lines on an exclusive basis was financed with PFC's. Additionally, PFC financing for the extension of Concourse G has not included anything beyond site preparation at this point. To date, only passenger loading bridges associated with preferential use gates on Concourse G, have been constructed utilizing PFC's.

As far as a dispute resolution system is concerned, MAC has not established a formal dispute resolution system. MAC continues to rely on the provisions of Article XII of the Airline Operating Agreement and Terminal Building Lease (Article XII attached for reference), as well as MAC Ordinances, to resolve any disputes. To date, there have not been any formal disputes filed by airline tenants of MSP requiring MAC interaction for resolution.

Our Competition Plan documents, including the 2016 Update and correspondence, have been reposted at <https://mspairport.com/about-msp/FAA-Requirements.aspx>

I hope this information adequately addresses your questions. If you have any further questions, do not hesitate to contact myself at 612-726-8188 or Brian Peters, Assistant Director of Commercial Management and Airline Affairs at 612-726-8137 or brian.peters@mspmac.org

Sincerely,

A handwritten signature in black ink, appearing to read "B. Ryks". The signature is stylized with a large loop at the end and a horizontal line extending to the left.

Brian D. Ryks
Executive Director/CEO

Enclosures



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

Office of Airport Planning
and Programming

800 Independence Ave., SW.
Washington, DC 20591

DEC 29 2008

Mr. Jeff Hamiel
Executive Director
Metropolitan Airports Commission
6040 28th Avenue South
Minneapolis, MN 55450-2799

Dear Mr. Hamiel:

Thank you for submitting the Metropolitan Airports Commission's (Commission) FY 2008 Competition Plan (Plan) update for Minneapolis-St. Paul International Airport (MSP) that was occasioned by your significantly amended Airline Operating Agreement and Terminal Building Lease (Airline Agreement). We understand the Airline Agreement was ultimately signed by all airlines operating at MSP on December 28, 2007. 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. 106 181, April 5, 2000, codified as **Title 49 United States Code (U.S.C.) sections 40117(k) and 47106(f)**.

The MSP FY 2008 Plan update indicates the Commission has implemented additional competitive actions, including the following policies and practices that:

- Allow the Commission to cancel the lease of a Northwest short-term gate if any airline proposes to add additional air service and desires to lease a gate directly from the Commission;
- Establish Gates D-1 through D-6 as short-term gates, which will create a consolidated group of short-term (Northwest Airlines) Gates and add an additional short-term gate;
- Allow airlines using Lindbergh Terminal International Arrivals Facility (IAF) more operational flexibility by using the services of a third-party ground handling company for below-wing handling;
- Reduce the maximum amount of time necessary for the Commission to force accommodation on another airline from forty (40) days to twenty (20) days;
- Require prior written consent from the Commission before an airline lessee subleases a gate to another airline;
- Require each airline lessee to comply with the FAA economic discrimination grant assurance provisions applicable to the Commission and to facilitate accommodations by requesting airlines; and
- Allow the Commission to cancel the lease of a non-Northwest Airlines short-term gate only for the benefit of a new entrant (and only if the airline lessee holds and uses more than a minimum number of short-term gate leaseholds).

Also, we commend the Commission for planning to take the following pro-competitive initiative in the 2007B Amendment to the Airline Operating Agreement and Terminal Building Lease:

- Providing for a majority-in-interest approval waiver of up to \$50 million per year of the Commission's capital improvement program for miscellaneous capital projects including airfield projects, effective January 1, 2010, without any need to receive majority-in-interest approval of the airport's signatory airlines.

We thank you for providing copies of all of your new airline agreements to us including the:

1. Amended and Restated Third Amendment to the Airline Operating Agreement;
2. 2007A Amendment to the Airline Operating Agreement and Terminal Building Lease; and
3. 2007B Amendment to the Airline Operating Agreement and Terminal Building Lease.

We congratulate you on your new and continued initiatives to enable and encourage competition among airlines at MSP.

Please note that we have some concerns about a possible carryover by your extension of Northwest Airlines' lease term. Within 60 days of the date of this letter, please notify us about whether any part of the existing G Concourse was financed by PFC revenues. In addition, please define whether such PFC financing for extension of Concourse G included anything beyond site preparation.

Further, as you will recall, in your FY 2004 Competition Plan update you indicate that you were considering establishing a formal dispute resolution system. Please update us on the status of this initiative within 60 days of the date of this letter.

We are enclosing with this letter a chart, prepared in September 2006, highlighting actions taken by airports covered by the Competition Plan requirement to reduce barriers to new entry and to enhance competitive access. We have distributed this product at several airport conferences showing the tools airport managers are using to comply with the statutory elements of the Competition Plan requirement. It also shows the competitive benefits that may be achieved by implementing these tools, as well as other ancillary advantages that may be derived from using these tools. This chart may be of interest to you as you fully implement MSP's Competition Plan.

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 original 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 filing a Competition Plan update.

- An airport files a competitive access report as required by **Section 424 of Vision 100 (2003), codified as 49 U.S.C. 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 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 Passenger Facility Charge (PFC) financing for gates.

As you are aware the Commission has filed, and the FAA has approved, an initial Competition Plan and two Plan updates of the initial Competition Plan for MSP. A further written Competition Plan update will be due only if one of the two special conditions outlined above arises for MSP.

Further, the Secretary is required by section 40117(k) to review implementation of Competition Plans from time to time to verify that 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 MSP in connection with its Competition Plan.

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 3831.

Sincerely,



for Benito DeLeon
Director, Office of Airport Planning
and Programming

Enclosure

Brian Peters
CALAH

METROPOLITAN AIRPORTS COMMISSION

Minneapolis-Saint Paul International Airport

6040 - 28th Avenue South • Minneapolis, MN 55450-2799

Phone (612) 726-8100



February 23, 2009

Benito DeLeon
Director, Office of Airport Planning & Programming
U.S Department of Transportation
Federal Aviation Administration
800 Independence Ave. SW
Washington, DC 20591

Dear Mr. DeLeon:

I have received your letter dated December 29, 2008 responding to the Metropolitan Airports Commission (MAC) submission of our 2008 Competition Plan Update. Thank you for your review and acceptance of our Update and confirmation that the Minneapolis - St. Paul International Airport (MSP) continues to be in compliance with the requirements of section 155 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR 21).

Your letter requested response within 60 days regarding two items:

1. Whether any part of the existing G Concourse was financed by PFC revenues and whether PFC financing for the extension of the G concourse has included anything beyond site preparation.
2. An update regarding MAC's consideration for establishing a dispute resolution system as contemplated in MAC's FY 2004 Competition Plan Update.

I am able to report that the only portion of Concourse G that has been constructed with PFC's is the International Arrivals Facility (IAF). No other portion of Concourse G that is utilized by Northwest Airlines on an exclusive basis was financed with PFC's. Additionally, PFC financing for the extension of Concourse G has not included anything beyond site preparation at this point.

As far as a dispute resolution system is concerned, MAC has not established such system. MAC continues to rely on MAC Ordinances and lease agreements to resolve disputes. To date, there have not been any formal disputes filed by airline tenants of MSP requiring MAC interaction for resolution.

I hope this information adequately addresses your questions. If you have any further questions, do not hesitate to contact myself at 612-726-8188 or Brian Peters, Manager of Commercial Management and Airline Affairs at 612-726-8137 or brian.peters@mspmac.org

Sincerely

Jeffrey Hamiel
Executive Director