



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

Office of Airport Planning
and Programming

800 Independence Ave., SW.
Washington, DC 20591

FEB 1 7 2001

Mr. Lester W. Robinson
Wayne County Director of Airports
Detroit Metropolitan Wayne County Airport
L. C. Smith Terminal - Mezzanine
Detroit, MI 48242

Dear Mr. Robinson:

Thank you for your December 8 reply to our November 9 review of the Charter County of Wayne, Michigan's, Competition Plan for Detroit Metropolitan Wayne County Airport (DTW), requesting additional information and clarification.

The information you provided was responsive to our request. In light of these responses, we have determined that your competition plan is in conformity 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. However we offer some suggestions for your consideration as you implement and update your plan for the next fiscal year. These suggestions are in addition to those we provided in our initial response to your Competition Plan. For your convenience, we have categorized our suggestions according to the applicable features specified in PGL 00-3.

Gate Availability

Your response indicates that the County will begin negotiations on the North Terminal gate leases once the design process for the terminal reconstruction is complete and the schedule and timing of the reconstruction program is resolved. Please include specific milestones in your next update to the competition plan as to the progress of the reconstruction program and the likely timing of lease negotiations. We note that, during the terminal reconstruction design process, the County will consider the provision of a few common-use gates.

Until such time that new leases are negotiated, we encourage you to approach the signatory carriers from the perspective that the County has certain rights and obligations to arrange for gate sharing on an exclusive-use lease, even

prior to a new negotiated agreement. These were discussed in our *Airport Practices* report.

You indicate that the triggering of rights under PFC Assurance 7 only occur if an air carrier has been precluded entry and an existing carrier with leases to PFC-funded gates and exclusive use gates has underutilized exclusive use space and does not make it available by other carriers. We recognize your assertion that all carriers seeking access to DTW have been accommodated. In addition, we appreciate your clarification concerning the County's use of Assurance 7 to resolve an earlier access issue.

However, we caution you that Assurance 7 applies not only to new entrants, but to all carriers seeking to expand operations as well. An air carrier seeking to expand operations but which cannot due to a reported lack of available space would trigger the Assurance 7 rights. Without current information on gate utilization, it is difficult for the airport manager to know for certain if all affected exclusive use space is being fully utilized. Therefore, we urge you to aggressively pursue the development of your gate-use monitoring program (to be in place by the opening of the Midfield Terminal) and to report on progress in this task in your next update of the competition plan.

Leasing and subleasing

We inquired as to the requirements for an air carrier to gain signatory status at DTW. Your response indicates that historically, signatory status was a function of available gates. However, as was noted in the *Airport Practices* report, an airport operator may not unreasonably withhold tenant or signatory status from an air carrier that assumes obligations substantially similar to those already imposed on tenant airlines. The County is currently evaluating the process and criteria for gaining signatory status in light of the changing conditions at the Airport. We look forward to learning about developments in this area in your next update to the competition plan. We encourage you to give due consideration to the County's Federal obligations as you conduct your evaluation.

Gate Assignment Policy

In our November 9 letter, we requested that you provide information about the County's role in identifying underutilized gate capacity and in facilitating access to that capacity by new entrants or incumbents seeking to expand operations. We note your response, but remain unclear on how the County, without a gate monitoring program, identifies carriers that are not fully utilizing their gates. However, we are accepting your plan with the expectation that this issue will be fully resolved by the planned gate monitoring program to be implemented with the opening of the Midfield Terminal. We suggest that your next update to the competition plan describe any formal procedures you have established for

publicizing gate availability to all carriers operating at the airport, both tenant and nontenant, as well as carriers that have expressed interest in operating at the airport. In addition, you may want to consider developing plans to resolve complaints of denial of reasonable access by a new entrant or incumbent wishing to expand. Our *Airport Practices* report found that new entrants are more likely to be treated fairly if airports adopt procedures to resolve disputes between carriers.

Financial Constraints

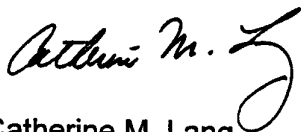
Thank you for your clarification that the application of the modified compensatory system will be to terminal rental rates only. In your next update to the competition plan, it would be helpful if you would describe if and how the application of this new methodology to terminal rental rates in 2009 will affect the competition environment at DTW.

As we indicated in our November 9 letter, the Secretary is required to review the implementation of the competition plans from time-to-time to make sure each covered airport successfully implements its plan. In connection with our review, we may determine that site visits to one or more locations would be useful. We will notify you should we decide to visit DTW in connection with its competition plan.

Finally, because of the interest that members of the traveling public may have in airline competitive issues at your airport, including your policy of ensuring reasonable access for new entrant airlines, we encourage you to put a copy of your competition plan and supplemental submission, including the FAA's responses, on your airport web page.

If you have any questions regarding this letter or the FAA's review of your plan, please contact Mr. Barry Molar, Manager, Airports Financial Assistance Division at (202) 267-3831.

Sincerely,



Catherine M. Lang
Director, Airport Planning and
Programming