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**VIA FACSIMILE: 202-493-2251**

Docket Operations  
U.S. Department of Transportation  
West Building, Ground Floor, Room W12-140  
Routing Symbol M-30  
1200 New Jersey Avenue, SE  
Washington, DC 20590

**Re: Docket FAA-2008-0036**HALIFAX INTERNATIONAL  
AIRPORT AUTHORITY1 BELL BOULEVARD  
ENFIELD  
NOVA SCOTIA  
CANADA B2T 1K2TEL: 902.873.4422  
FAX: 902.873.4750

WWW.HALIFAXAIRPORT.COM

We would like to voice our opposition to the proposed rule changes that would permit airport operators to use a two-part landing fee structure consisting of a per operation charge in addition to the weight based charge at congested airports during high traffic periods.

This rule, if implemented, would bring undue hardship to the many air carriers operating smaller regional type aircraft providing essential air service to hundreds of smaller communities throughout North America. As reported by the Regional Airline Association, there are 636 airports in the United States that are served by regional airlines, 450 of those airports are served exclusively by airlines operating aircraft with less than 90 seats and 100 of those airports connect only to airports that meet the criteria for the two-part landing fee structure.

The proposed rule would have a significant negative impact on the economic viability of providing air service between the major airports and these smaller communities and could result in a loss of air service to these centers. Numerous studies have previously been conducted that stress the importance of air service on the economic growth of these communities. These small communities rely on the air service provided by the hub operations of the major airlines to provide connections to other centers where passenger traffic demand volumes are insufficient to provide direct point-to-point service.

While it may be true, as claimed by supporters of the rule change, that only 10% of the total passenger traffic at major airports such as New York LaGuardia use that airport as a connection point in their trip itinerary, the importance of connectivity provided by these hub operations to the smaller airports is much more significant. For example, the percentage of total passenger traffic between our airport and LaGuardia that is connecting onward to another destination during the month of January 2008 was 28%. The percentage of onward connecting traffic from our airport through other major airports is much higher with 89% at Newark and 84% at Washington-Dulles.

The use of larger aircraft to provide service to the majority of the 450 smaller airports currently served exclusively by regional airlines is not economically viable. Rescheduling regional jet service from the smaller airports to off-peak hours at the major hubs would have a significant impact on the ability of passengers to obtain necessary connecting flights to their desired destinations.

Supporters of this rule change have argued that the proposed changes will serve to merely encourage the air carriers to replace the regional aircraft with larger aircraft operating on reduced frequencies and will not result in a loss of air service or negatively impact the provision of air service. We disagree with this argument. The airline industry has made significant progress in achieving operational efficiency by right-sizing aircraft to the markets being served. If the demand for air passenger travel in these markets was such that the use of larger aircraft on that route was viable, the airlines would already be using the larger aircraft.

The supporters also give the impression that the air carriers would immediately have the aircraft available to make the switch to the use of larger aircraft. This is simply not the case. Current aircraft fleets are nearly fully utilized with load factors exceeding 80% in peak travel periods. The air carriers do not have surplus large aircraft available in their fleets to immediately make the changes envisioned. The lead time required to obtain additional new aircraft is substantial and would require significant capital investment. Given the questionable economic viability of this course of action and the ability to raise the necessary capital, a move to proceed as proposed is not acceptable.

We thank you for your consideration. If you require any additional information I can be reached at 902-873-6006.

Yours truly,



Tom Ruth  
President & CEO