



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

Office of Airport Planning
and Programming

800 Independence Ave., SW.
Washington, DC 20591

July 18, 2016

Ms. Thella F. Bowens
President and CEO
San Diego County Regional Airport Authority
P.O. Box 82776
San Diego, CA 92138

Dear Ms. Bowens:

Thank you for submitting the San Diego County Regional Airport Authority (Authority) Fiscal Year (FY) 2016 Competition Plan Update for San Diego International Airport (SAN). The Federal Aviation Administration (FAA) has reviewed your Plan Update and finds it 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. No. 106-181, (April 5, 2000), codified as 49 U.S.C. Sections 40117(k) and 47106(f).

This 2016 Plan Update is required because, based on calendar year 2014, two air carriers accounted for over 50 percent of enplanements, and the Authority had not yet filed an initial Plan Update after the original Competition Plan approval.

We note that the Authority included the following new pro-competitive policy and practice in your 2016 Plan Update.

- Stating that the Authority will eliminate (in future operating and lease agreements) the requirement that an airline requesting new gate privileges provide destination information, except to indicate if the requested gate would be used for an international flight requiring the use of Federal Inspection Service (FIS) facilities. As you will recall, we requested this action in our May 27, 2014 approval of your 2014 Competition Plan.

Thank you for informing us that the Authority expects to execute a new lease agreement in 2018. We encourage you to share a draft of your new lease agreement with us before it is executed. Many airports find our feedback beneficial before lease and use agreements are finalized.

Your posting the 2014 SAN Competition Plan on the San Diego County Regional Airport Authority website, is appreciated. We recommend that, in addition to posting your 2016 Plan Update on your website, you also post this letter on your website.

As you are aware, the Authority has now filed, and the FAA has approved an initial Competition Plan and one Plan Update; thus, one further Plan update will be required if SAN remains a covered airport. Your next Plan update will be due 18 months from the date of this letter. We will notify you before the end of your 18-month cycle as to whether you remain a covered airport.

Please note that this letter does not constitute the FAA's approval of your current operating and lease agreement or any specific provisions thereof, which remain subject to all applicable Federal law and regulations.

Once SAN has completed the requirements noted above, there would be no further requirement for a Plan update unless certain special conditions arise. The conditions identified in the Airport Improvement Program (AIP) Handbook, Order 5100.38D, Appendix X, which would require the filing of a Competition Plan update are as follows:

- An airport files a competitive access report as required by Section 424 of Vision 100, codified as 49 U.S.C. Section 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 executed a new lease and use agreement, or significantly amended a lease and use agreement, including an amendment due to use of PFC financing for gates.

Please also note that, under Section 134 of the FAA Modernization and Reform Act of 2012, Pub. L. No. 112-95 (Feb. 14, 2012), Congress eliminated the need for airports to include data on airfare levels and patterns of air service in Competition Plans. Thus, we will no longer require this information in any further updates to the SAN Competition Plan.

As you may know, the Secretary of Transportation is required by 49 U.S.C. Section 40117(k) to review implementation of Competition Plans from time to time to verify each covered airport implements its Plan successfully. In connection with our review, we may determine that it would be useful to visit your airport or hold a teleconference with airport officials. Please be assured that we will notify you should we decide to visit SAN 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) 267-8375.

Sincerely,

A handwritten signature in blue ink, appearing to read "Elliott Black". The signature is fluid and cursive, with the first name "Elliott" and last name "Black" clearly distinguishable.

Elliott Black
Director, Office of Airport Planning
and Programming