



ALASKA AIR CARRIERS ASSOCIATION

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**Board of
Directors for
2016-2017** April 10, 2017

Matt Atkinson
President
AIR ARCTIC &
WARBELOW'S AIR
VENTURES

Office of Lt. Governor Byron Mallott
P.O. Box 11001
Juneau, AK 99811

Susan Hoshaw
Vice President
EVERTS AIR

Scott Habberstad
Secretary
ALASKA AIRLINES

RE: Proposed Regulation 17 AAC 45.035 After Hours Requests for Airport Services - Amended

Wilfred Ryan
Treasurer
RYAN AIR

Dear Lt. Governor Mallott:

Danny Seybert
Past President
PENAIR

The Alaska Air Carriers Association (AACOA) is a membership organization whose mission is to support and advocate for the commercial aviation community. Our members include Part 121, 135, 125, and commercial Part 91 Alaskan air carrier operators and associate members that support them.

Mike Stedman
ALASKA SEAPLANES

Luke Hickerson
HAGELAND

Scott Van Valin
ISLAND AIR EXPRESS

AACA is writing to you regarding the Department of Transportation proposed regulation 17 AAC 45.035, related to After Hours Requests for Airport Services. This proposed regulation would require Alaskan air carriers to pay for airport services occurring at state owned rural airports outside of the airport's published hours of operation. Services are expected to include runway inspections, snow plowing, aircraft rescue support or other services.

Megan Matthieu
NORTHERN AIR CARGO

Mike Laughlin
REGAL AIR

Norman Chance
Sky Airparts International

Chuck Miller
WINGS OF FREEDOM

As part of this proposed regulation, the department created a call-out fee schedule that includes: one individual at \$250/hour; basic airport services such as an airport condition report or aircraft rescue at \$1000 (four hour minimum); and snow and ice mitigation at \$1000/hour.

Dennis Parrish
CONOCO PHILLIPS

**Executive
Director**

Jane Dale
ALASKA AIR
CARRIERS
ASSOCIATION

AACA encourages you delay adopting the proposed regulation to allow for additional collaboration. The formula used to define airport operating hours does not accommodate all Alaskan air carrier schedules, the proposed call out fees may be excessive, and impacts to Alaskan residents that reside in rural communities who rely on air carrier schedule transportation for mail, freight, and travel have not been evaluated or considered as part of this new regulation.

Airport Operation Hours

During the ADOT Air Carrier Operations meeting, AACOA learned that airport operating hours are established by the local road/airport supervisor, vary from community to community, and were created without communication with all air carriers that serve the community. Some air carrier schedules were assembled into a spreadsheet with the airport operating hours. It's unclear whether the spreadsheet is comprehensive.

Schedule air carrier service is intended to satisfy transportation needs of a community, local industry or are mandated by contract, such as with United States Postal Service (USPS). The proposed implementation of this new regulation does not accommodate time for contract amendments or community collaboration.

AACA also learned that a typical day for the ADOT road/airport supervisor and crew may begin at 6am during the winter months to clear roads for school buses to transport students. The workday is limited by a set number of hours that begins with road cleaning and can end prior to the last air carrier schedule flight. Essentially, the airport hours of operation are based on when road maintenance begins air carrier schedules.

AACA believes additional collaboration with rural community leaders is needed before any rural airport operation schedule is published, especially when new fees are proposed that could impact schedule service. New fees are expected to be paid by the user and rural Alaskan residents have not been invited to participate in this discussion. Collaboration would ensure that the highest level of safety (within a reasonable schedule) is consistently met for the communities served by air carriers.

Allocating Resources and Fees

In many rural Alaska communities the department comingles resources for road maintenance and airports. Implementation of this proposed regulation would allocate budgeted public funding in a manner weighted toward road maintenance. AACA requests allocated funding be balanced in a manner that meets both the community, industry and contractual transportation needs.

In addition, the proposed call out fees are not well defined or reasonable for the variety of aircraft that may require services. The fees include an individual rate of \$250/hour, basics services rate of \$1000 (minimum 4 hour call out), and a snow and ice mitigation rate of \$1000/hr. At the ADOT Operations meeting, AACA members asked for more details on fees and none was included as part of this notice. The department staff also stated that additional revenue to administer the new program is not necessary however, details were not provided.

Contracts and Schedules

This process has not included provisions for Alaskan air carriers to renegotiate existing contracts for additional fees or change of service (schedule). The time required for any given carrier to amend or negotiate a new contract may vary.

AACA hopes the department will recognize additional collaboration and definition prior to implementing this proposed regulation. Airport hours of operation and department resources need to be better defined with allocation balanced to meet community transportation needs. Public meetings at the community level are necessary

to learn impacts. Transparency with regard to the proposed rates and administrative costs is critical to ensuring a predictable financial environment for Alaska air carriers to operate.

Thank you for the opportunity to offer comments.

Best regards,

A handwritten signature in black ink that reads "Matt Atkinson". The signature is written in a cursive style with a large initial "M".

Matt Atkinson, Board Chair
Alaska Air Carriers Association

A handwritten signature in blue ink that reads "Jane Dale". The signature is written in a cursive style with a large initial "J".

Jane Dale,
Alaska Air Carriers Association