

February 13, 2006

Re: Rhode Island Airport Corporation's notice for public comment prior to submitting an application to the Federal Aviation Administration to amend passenger facility charges at T.F. Green Airport.

The Rhode Island Airport Corporation (RIAC) is posting this public notice as part of the passenger facility charge (PFC) amendment process under 14 CFR § 158.24 for T.F. Green Airport (Airport). As part of this procedure, RIAC is providing the following information regarding the amendment to approved PFC Application 93-01-C-00-PVD/93-01-C-01-PVD:

SUMMARY OF PROPOSED AMENDMENT

- Increase PFC level from \$3.00 to \$4.50.
- Increase Pay-Go authority for Install Guidance Signs project by \$3,499 from \$58,593 to \$62,092 (6%).
- Decrease total collection authority by \$4,260,294 from \$104,397,014 to \$100,136,720 due to a reduction in financing costs.

Summary of Previously Amended Project Costs and Proposed Changes to Amended Costs:

Project	93-01-C-01-PVD Approved 11/9/00			Proposed 2006 Amendment		
	Capital	Financing	Total	Capital	Financing	Total
Terminal Building Demolition	\$66,029	\$106,978	\$173,007	\$66,029	\$99,320	\$165,349
Construct Terminal Access Road	5,001,951	8,103,986	13,105,937	5,001,951	7,523,869	12,525,820
Construct Interim Terminal Facility	14,431,877	23,382,023	37,813,900	14,431,877	21,708,240	36,140,117
Construct Terminal Building	22,261,244	23,087,237	45,348,481	22,261,244	21,434,556	43,695,800
Construct Apron, Taxiways, Drainage, & Utilities	651,878	1,056,150	1,708,028	651,878	980,546	1,632,424
Construct Walkways and Drainage	345,772	560,208	905,980	345,772	520,106	865,878
Landscaping	189,600	307,183	496,783	189,600	285,194	474,794
Install Guidance Signs	58,593	0	58,593	62,092	0	62,092
Very High Frequency (VOR) Modification	68,500	110,981	179,481	68,500	103,037	171,537
Construct Storm Water Retention System	731,700	1,185,475	1,917,175	731,700	1,100,614	1,832,314
Construct Deicing and Glycol Retention System	1,000,000	1,620,165	2,620,165	1,000,000	1,504,187	2,504,187
Construct Perimeter Service Road	26,519	42,965	69,484	26,519	39,889	66,408
Total	\$44,833,663	\$59,563,351	\$104,397,014	\$44,837,162	\$55,299,558	\$100,136,720

PROJECT DESCRIPTIONS

All of the projects in this application were completed with the construction of the new terminal. Therefore, for the purposes of this Amendment the original project descriptions are restated as included in the FAA's Record of Decision (ROD) dated November 30, 1993, approving RIAC's application. No changes to the original descriptions/scope are necessary.

1. Terminal Building Demolition

The terminal area/apron improvements require demolition of the existing terminal building and its concourses to make room for a new terminal building roadway and expanded aircraft parking apron. In order to maintain airline operations, demolition is planned to occur in phases based on the construction schedule requirements and completion of interim terminal facilities. This project includes demolition and removal of the existing terminal building, temporary protection and support of the structure during demolition, and a dust and debris control program.

2. Construct Terminal Access Road

New vehicular access roadways will be constructed to the new terminal building from Post road and I-95. These roadways will service a bi-level curb front system, accommodating arriving and departing passengers. The upper level curb front will include four lanes to provide bypass capability and 800 linear feet of curb frontage for passenger drop-off. The lower level curb front, which will include seven lanes, will provide designated loading zones for private vehicles as well as for various commercial vehicle types including buses, courtesy vans, taxicabs, and limousines.

3. Construct Interim Terminal Facility

Temporary terminal facilities will be construction the airfield side of the existing terminal building to provide boarding facilities during construction. Temporary baggage handling facilities, jet bridges, temporary inbound baggage, concessions, and a lobby facility with an adjacent deplaning curb will be constructed as a part of the interim terminal facilities. After substantial completion of the new terminal building, the interim facilities will be removed to allow for completion of airfield improvements.

4. Construct Terminal Building

The new terminal building will be constructed on the existing aircraft apron north and east of the existing terminal building. The new terminal building has been designed to accommodate airline, airport, and concession space requirements of approximately 160,000 square feet, of which approximately 160,000 square feet represent PFC-eligible facilities. (Note: In the determination portion of its ROD, the FAA did not agree that all 160,000 square feet is PFC-eligible.) The new terminal will be a bi-level facility with departing passenger activities (ticket counter, baggage check-in, and departure lounges) located on the second level and arriving passenger activities (baggage claim and car rental) on the lower level. The passenger concourse will allow aircraft parking on both sides of the concourse. The new terminal building will also include 17 preferential use holdroom facilities, 13 of which will have access to weather-protected aircraft loading bridges and 4 of which will access commuter aircraft parking positions.

The current facility, built in 1961 and renovated in 1979, has a severely limited capacity with only nine jet gates. There is no space available for new entrants or for existing carriers' expansion. Further renovation and rehabilitation of the existing terminal are considered impractical from an engineering and a design standpoint.

5. Construct Apron, Taxiways, Drainage, and Utilities

In conjunction with the new terminal building construction, hardstand parking areas as well as new taxiways will be added north and south of the existing terminal building. This pavement work will necessitate

upgrading existing storm water drainage structures and installing new utilities. Approximately 160,000 square yards of new pavement will be constructed.

6. Construct Walkways and Drainage

Walkways to the new terminal as well as drainage facilities will be constructed in this project. These walkways will allow safe transit of pedestrians at T.F. Green.

7. Landscaping

The area around the new terminal will be seeded to provide ground cover and erosion control along the walks, site entrance, and exits.

8. Install Guidance Signs

This project involves an update of airfield guidance signs to meet the requirements of Advisory Circular 150/5340-18C.

9. Very high Frequency Omni Directional Radio Range (VOR) Modifications

The VOR is a ground-based electronic navigation aid used as the basis for navigation in the National Airspace System. This project updates the Airport's system to accept current Doppler modifications. These modifications are necessary because the height of the new terminal building will interfere with the transmission of the VOR's signals.

10. Construct Storm Water Retention System

Storm water management facilities, including drainage and storm water retentions systems, will be improved and expanded in this project. Construction of the new terminal and associated improvements will increase the water-impervious surface at T. F. Green, thus increasing the possibility of flooding unless the storm water system is improved.

11. Construct Deicing and Glycol Retention System

New facilities will be installed to intercept glycol at deicing points. The current design concept assumes deicing will occur on the ramp at aircraft parking positions. The glycol discharge will be segregated into sanitary sewers.

12. Construct Perimeter Service Road

A new perimeter service road between the new terminal building and Airport Road will be constructed to facilitate service access to the new terminal without entering the airfield operations area. The new perimeter service road will allow caterers and fuel service operators direct access to the apron area and, therefore, will eliminate unnecessary traffic by these users in the airfield operations area.

PROJECTS TO BE AMENDED

The financing costs for all financed Projects (i.e., 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, and 12) will be amended for decreases in cost due to refunding of previously issued bonds.

Pay-Go cost for Project 8 will be increased by \$3,499 from \$58,593 initially approved to actual cost of \$62,092 (6%).

The PFC level will be amended for the entire application. Uncollected PFC authority for Project 4, Construct Terminal Building, will qualify the multiple project application for the higher PFC level.

AMENDMENT JUSTIFICATION

RIAC believes that 100 percent of the \$26,201,746 uncollected PFC Authority (Proposed Amended \$100,136,720 minus \$73,394,974 collected through September 30, 2005) qualifies for collection at the \$4.50 level.

As determined by the FAA in its November 20, 1993 ROD, the Construct Terminal Building project enhances capacity and furnishes opportunities for enhanced competition between or among air carriers at T.F. Green. As a result of the increase in ticket counters, baggage areas, gates and improved airport access, RIAC believes this project provides a significant contribution to enhancing capacity and competition for the following primary reasons:

- Ensured safe and efficient passenger flow.
- Facilitated new terminal and roadway construction.
- Preserved the capacity and safety of the national air transportation system.
- Enhanced the capacity of the national air transportation system and furnished opportunities for enhanced competition between air carriers by adding additional gates, additional ticket counters, additional bag claim areas and larger hold rooms.

PFC LEVEL

Four dollar and fifty cent (\$4.50) charge per eligible enplaned passenger at the Airport.

PROPOSED CHARGE EFFECTIVE DATE

RIAC's estimated charge effective date for the new \$4.50 PFC is July 1, 2006.

ESTIMATED CHARGE EXPIRATION DATE

RIAC's estimated PFC expiration date for the amendment to PFC Application 93-01-C-00-PVD/93-01-C-01-PVD is March 1, 2008 (assuming RIAC receives approval and begins collecting a \$4.50 PFC beginning July 1, 2006).

Note: If the charge expiration date for this PFC application changes, the charge effective date for other existing applications and the new PFC Application #5 will also change, and RIAC would continue to collect PFC revenues without a cessation in collections.

ESTIMATED TOTAL PFC REVENUE

RIAC's estimated total PFC revenue is \$100,136,720.

RIAC POINT OF CONTACT

As required under 14 CFR § 158.24, RIAC will be accepting public comments on the proposed amendment to PFC Application 93-01-C-00-PVD/93-01-C-01-PVD up to thirty (30) days after the February 13, 2006 date of posting this public notice on RIAC's Internet Web site (i.e., up to March 15, 2006). Any comments should be sent to RIAC's Chief Financial Officer, Mr. Brian C. Schattle, 2000 Post Road, Warwick, Rhode Island, 02886. If there are any questions regarding this proposed PFC application amendment, Mr. Schattle can also be reached at (401) 737-4000, extension 238 or at BSchattle@pvdairport.com.