

August 30, 2001

Docket No. OST-2001-9849

Market-based Actions to Relieve Airport Congestion and Delay

The development and imposition of airport fees that are designed specifically to encourage air carriers to use limited airport capacity in a more efficient manner is an idea whose time has come.

What I would like to see is something akin to an auction of landing-rights or gate-rights. These rights should be renewable (12 - 24 months) and transferable. They can only be owned by the carriers, not speculators. If the rights are not used they revert to the airport authority. Valuable time slots will call forth higher value bids. The higher cost of carriage would be reflected in the higher cost of tickets. This market pricing information will then lead to rational allocation of supply to the market place and lead to a more efficient use of the limited airport capacity.

I very glad to see Sec Mineta taking the leadership in this important area.