

T.F. Green Airport Master Plan and Environmental Impact Assessment

Study Resource Committee

Meeting Summary July 25, 2001

Introduction

Suzanne Orenstein, Facilitator, opened the meeting, explaining that the agenda was revised to incorporate time for small group discussions of factors influencing and constraining growth, and reminding the Committee that they would be meeting two evenings in a row to thoroughly cover the forecasting issues. Mike Cheston, Executive Director of RIAC, welcomed everyone and provided a few updates. He noted that the funding of the train station and people mover project was not enacted by the legislature this session, leaving the project in the hands of the DOT. He further described RIAC's efforts to hasten the home acquisition and sound proofing programs, promising to report back when discussions with FAA and others have produced results.

A Committee member raised a concern about when the community impacts issues would appear on the agenda for the two meetings. He reiterated comments made at the June meeting that these impacts should be considered simultaneously with the forecasting issues. The facilitator noted that this topic was scheduled for discussion later in the evening.

Description and Discussion of the Elements of the T.F. Green 20-year Forecast

Wayne Schuster, Director of Planning and Development for RIAC, introduced the presentation on forecasting aviation demand. Doug Wilson, Senior Economist for Edwards and Kelcey, provided an extensive overview of the forecasting effort. His presentation covered the products of the forecasting effort, historical information, key factors the forecasts will consider (air service area, population and economic trends, airline trends, and markets served), and forecasts for those factors. (The complete presentation is available on the Master Plan/EIS web site at www.pvd-ri.com.)

Mr. Wilson noted that the 20-year forecast of aviation demand for T.F. Green is still under development by Edwards and Kelcey, but that the FAA has projected a 3.6% growth rate for domestic enplanements nationwide. He further noted that for T.F. Green, Edwards and Kelcey is assuming that the New England economy will continue to grow, especially in the finance, services, and high tech sectors and that Rhode Island's economy will gain from that growth, as well as from tourism. The implication appears to be that, if the region's economy

grows, the number of air travelers could grow. He also reviewed assumptions about the airline industry, including that mergers and new labor agreements could increase fares, but there would be few new entrants in the industry. Edwards and Kelcey is predicting an end to double-digit annual growth at T.F. Green, and that international activity will remain modest, primarily charters.

In the discussion of the presentation, the following questions and comments arose.

- Q. Did you study where passengers are coming from and going from Green?
A. The most significant increase in trip destinations and origins is in the sun belt.
- Q. What number of passengers can Green support now?
A. RIAC estimates that the runway/airfield is operating at 60% capacity, and that the terminal/landside/parking complex is operating at 80-85% capacity. The capacity will be further analyzed in subsequent steps of the Master Plan.
- Q. You are projecting slower growth in the regional GDP? Is this realistic?
A. GDP projections are an important part of the forecasting process, because GDP is one of the most significant variables in predicting air travel change. Edwards and Kelcey relies on GDP data provided by DRI, a firm affiliated with Standard and Poor that provides information to the federal government, including the FAA, and many large corporations. The growth rate used is a steady or constant rate for each year.
- Q. If Baltimore Washington International Airport grows 10% in the next ten years, wouldn't that affect Green's growth?
A. Yes. The expectations for BWI will be considered in the Green forecast.
- Q. Who sets airfares? Why are Green's so low? Are airfares affected by airport decisions?
A. Basically airlines set their own fares. Southwest Airlines operates as a low fare carrier, and has a high load factor that allows it to make money. Other airlines lower their fares to compete with Southwest, but also use yield management strategies, by which they sell seats for different rates on the same flight, making money on some to cover their losses on the cheaper seats. Airports do not have a role in setting fares. They do impose some landing fees based on weight, but these fees are small in comparison to other airline costs, like fuel. In general, airport fees don't affect fares that much.
- Q. Do the forecasters contact the airlines to see what they think the forecast should be, or what their future plans are?
A. We have talked to the airlines, specifically Southwest, about Green, but airlines don't know nor will they tell others and us what they forecast. They are not forthcoming about future plans as required to preserve their competitive advantage.

- Q. Is there a way to build community factors and liabilities from the airport to the community into the pricing structure? Shouldn't the cost of buying out homes go into the forecast?
- A. We are using a status quo figure on airline fees. The economic impacts of the airports future growth will be part of the EIS evaluation. The liabilities are known and can be considered in the five-year look in the EIS.
- Q. European routes were discussed during the Part 150 process. Will these be factored into the forecasts?
- A. There has been some discussion of Icelandic Air landing at Green, but Icelandic Air abandoned plans for doing so because there are few flights out of Green in the evening, so their passengers could not connect for other destinations. Even if one or two international flights were added, it would not produce a significant impact on the forecasts.
- Q. Given that Southwest Airlines is a foundation for other growth at Green, what happens if they go out of business or withdraw service?
- A. They are a large part of the system now. But they have influenced other airlines to compete on fares, so if they leave, some other airline will choose to come in.
- Q. Is Logan airport going to expand? If not, will there be some traffic at Green that would have gone to Logan?
- A. Logan is in the final stages of completing an EIS and a Record of Decision for a 5000-foot runway. This runway is meant to address delays caused by certain wind conditions. If it is approved, it probably will not affect traffic to Green in a major way.
- Q. What will be the impact of completion of the Big Dig? Will it reduce cargo traffic at Logan?
- A. The impact of easier access to Logan that will occur when the Big Dig is completed will be a factor in the assessment of the regional aviation system plan described at the last meeting. Commercial air traffic growth at Hanscom and Worcester airports is also being factored into the regional plan.
- Q. How does the Warwick train station get factored into the overall growth at Green?
- A. The train station will compete for, as well as feed, passengers to the airport. Amtrak data shows that likely passengers will come from our current service area, not an expanded service area. It may be that the train station won't greatly increase passengers. For the forecasts, we will look at the experience at BWI, which has Amtrak access.
- Q. From the statistics you are showing, it looks likely that Green will not be able to meet demand and stay within its current footprint.

- A. The figures so far do not take into account the facility constraints at Green. Those will be looked at and presented at the September meeting.
- Q. What can be learned from the forecasting effort that was part of the last Master Planning process in 1995-1996?
- A. The last Master Plan process did not factor Boston's Big Dig traffic into the forecasting for Green, or the change in air travel choices in the region. There have been a higher number of passengers at Green who may previously have gone to Logan, but who were deterred by the inconvenience of getting there.

A Committee member raised a concern at this point regarding the lack of information about community impacts as part of the forecasting discussion. After noting that a community constraint forecast to look historically at the airport's impacts should be possible, he proposed that the SRC as a body recommend to RIAC that a third forecast be added that would address:

“At what activity level does the airport's facility fail to provide a healthy quality of life for the surrounding community?”

The SRC discussed this proposal, making the following comments.

- ?? How would “community be defined?
- ?? What geographic area would be covered by such a study?
- ?? What is the definition of healthy?
 - ?? traffic impacts/public transportation impacts
 - ?? loss/creation of jobs
 - ?? noise impacts, including on schools
 - ?? health impacts
 - ?? impacts on real estate values
- ?? What is an evaluation of the financial impact? Are tax base impacts included?
- ?? Need an inventory of Air Quality impacts. What chemicals are being released by planes, in what quantities?
- ?? Need not just assessment against baseline that will come out of EIS, but also historic conditions. Measuring against the current baseline leaves out cumulative impacts
- ?? Need this assessment of quality of life impacts to be done at same time as forecasting effort.

The Committee member making the proposal asked for a show of hands for support of a recommendation to RIAC. The facilitator reminded the group that it is a non-voting body, and that any vote would be a “straw poll” to get the sense of the group. Approximately 50% of the 28 members present expressed support for a recommendation to RIAC. However, other members questioned exactly what would be recommended. The SRC agreed to continue discussing the proposal the following evening, agreeing to spend one hour discussing quality of life definitions and how community impacts could be studied. Advocates for the proposed study agreed to outline their thoughts on how these issues could be measured for discussion with the SRC as a whole.

Small Group Discussions

The SRC broke into small group discussions and addressed two questions: What are the factors that will influence growth at T.F. Green, from their perspectives, and what are the factors that will constrain growth. The reports from these discussions are included as an Attachment to this summary.

Planning for Next Evening’s Meeting

The SRC made the following suggestions for the use of the time for the next evening’s meeting.

- ?? Look at the list of growth and constraint factors further, hearing more from the experts on whether they will all really affect T.F. Green’s growth.
- ?? Explain how the factors get turned into projections of future numbers of passengers.
- ?? Discuss how airlines can be influenced to change, e.g. to quieter planes.
- ?? Discuss community impacts and how they can be assessed
 - ?? What will be covered by the EIS?
 - ?? How can quality of life factors be identified and measured?

Public Comment

Dan Murphy, Vice President of CAN, and President of Take Back the City, commented that he was displeased that the Committee did not move forward with a recommendation for a community constraint forecast. He noted that this was another sign to him that the SRC process was not credible. The facilitator reminded him that the community impact discussion was scheduled to continue the following evening.

The meeting adjourned at 9:30 PM.

Attendees, July 25th

Members

Robert Blaikie, FedEx
Mark Brewer, RIAC
Colby Cameron, RIAC Board
Duane Clinker, Cranston
Tom Celona, Thrifty Car Rental
Michael Cheston, RIAC
Beth Collins, RI Econ. Policy Cncl.
Lindsay Commeau, FAA
William DiPasquale, Warwick
Jim Doherty, Southwest Airlines
John Elsoffer, Warwick
Gerald Flynn, Warwick
Kevin Flynn, Cranston
Charles Gaffney, RIAC Board
Raleigh Jenkins, C.A.N.
Karen Kalunian, Warwick
Tom Klin, L&B
Al Lamothe, RI Pilots Association
Bob Lamoureux, Warwick
Anthony Longo, Warwick
Robert Martin, Warwick
Mark McKenney, Warwick
Verna Pezzullo, Cranston
Hope Pilkington, Cranston
Janet White Raymond, Chamber
Vince Scarano, FAA
Robert Shawver, Dept. of
Transportation
Walter Slocomb, RI Statewide
Planning
Wayne Schuster, RIAC
John van Woensel, L&B

Alternates

Maria Dutra
Robert Eagan
Stephen Klingler
David Mills
Robert Sangster
Joseph Solomon

Factors that will influence growth

Group 1

- ?? Lack of additional space for new airports
- ?? Population growth
- ?? Facility not at full capacity
- ?? Price (low)
- ?? Accessibility
- ?? Destinations
- ?? City pair growth
- ?? TV Show "Providence" marketing customer base
- ?? College and University growth
- ?? Inter-modal district
- ?? Boards do not want to hear "we do not want to grow"
- ?? Marketing/tourism promotion

Group 2

- ?? Logan
- ?? Economy
- ?? Demand
- ?? Population Growth
- ?? Ease of commute
- ?? Fares/rates

Group 3

- ?? Convenience of location
- ?? Ticket prices
- ?? Fuel shortages
- ?? Economic boom
- ?? Train station
- ?? Sociological/Behavioral (i.e. flying is a right)
- ?? Price of tickets
- ?? Regional airports

Group 4

- ?? Economic growth
- ?? New Air Service
- ?? Continued low fares
- ?? Logan traffic diversion
- ?? Population growth

- ?? Regional new business-government policies
- ?? Fleet mix
- ?? Easy access

Group 5

- ?? Availability of land to expand
- ?? National, regional economic trends
- ?? Growth potential of other regional airports, Worcester in particular
- ?? New technology may make travel cheaper
- ?? We are an attractive destination for business travel – price competitive with tourist amenities

Group 6

- ?? Economic Development
 - Employment
 - Income
 - Population
- ?? Train Station
- ?? Available parking/car rental garage
- ?? Increase in available destinations
- ?? Aircraft capabilities
- ?? Tourism – International vs. National Travel
 - Global Politics, Activity
- ?? Electronic Commerce

Factors that will constrain growth

Group 1

- ?? Physical limitations
- ?? Ticket prices
- ?? City infrastructure (streets, Rt. 95)
- ?? Destinations (due to loss of service)
- ?? Lawsuits
- ?? Higher fares
- ?? Comprehensive plan
- ?? Loss of 16/34

Group 2

- ?? Runway length 16/34, 5R/23L
- ?? Wetlands
- ?? Law/approvals
- ?? Alternative transportation
- ?? Community impacts
- ?? Physical constraints/neighborhoods
- ?? Economy

Group 3

- ?? Downturn in economy
- ?? Citizens groups/political
- ?? Environmental concerns
- ?? Geographical restraints (i.e. wetlands neighborhoods)
- ?? EIS could be ---what is in truckaway landfill?
- ?? Prospect of higher tickets/loss of Southwest (restructuring of airline industry)
- ?? Improvement of other air facilities – draw away passengers
- ?? Possible congressional legislation (tighter safety standards/less congestion)

Group 4

- ?? Community opposition
- ?? Economic downturn

- ?? Airport infrastructure limitations
- ?? Loss of market share to other airports (i.e. Worcester)
- ?? Land use constraints
- ?? Environmental impacts
- ?? Runway length
- ?? Funding
- ?? Diversion to other transportation modes

Group 5

- ?? Lack of land to expand
- ?? Growth may affect easy access, driving people to other choices
- ?? Cost of fuel, labor
- ?? Community resistance, litigation
- ?? Potential for environmental law changes (air quality, particulate matter)
- ?? Will other modes of travel (high-speed train) become more convenient?

Group 6

- ?? Location
- ?? Landlock
- ?? Financial ability to fulfill mitigation
 - o Responsibilities in a timely manner
- ?? Runways
- ?? Taxiway System (including ramps/runup pads)
- ?? Airspace congestion
- ?? Unconstrained/Unstructured growth
- ?? Ability to maintain a high level of service
- ?? Community noise levels