



# Air Service Incentive Program

The Tri-Cities Airport Authority (TCAA) has developed an Air Service Incentive Program (ASIP). The objective of the ASIP is to increase competition and enhance air service at the Tri-Cities Airport (TRI). Under this program, any qualifying air carrier providing air service may be offered Fee Waivers and Marketing Support as permissible under FAA rules and regulations. The ASIP has been updated to reflect FAA guidance, effective December 7, 2023, per Docket No. FAA 2022-1204.

## New Entrant Carrier

A New Entrant Carrier shall be defined as any passenger air carrier that commences nonstop, year-round, or seasonal service at TRI but has not served the airport on a scheduled basis for the previous twelve months. TCAA will provide Fee Waivers and Marketing Support for one year.

### New Entrant Carrier Fee Waiver & Marketing Support

	Fee Waivers			Marketing
	Landing	Property	Apron	Support
Year-Round Service	100%	100%	100%	\$20,000
Seasonal	100%	100%	100%	\$10,000

*Marketing Support does not require a dollar match. "Property" includes passenger loading bridge, joint use ticket counter, and terminal building fees. The airline will be responsible for any fee not listed above.*

## Target Airport

Target Airports are airports where nonstop, year-round, or seasonal air service is not provided by any scheduled air carrier operating at TRI. TCAA will provide the carrier providing year-round nonstop air service Fee Waivers and Marketing Support for two years, or for carriers providing seasonal nonstop air service Fee Waivers and Marketing Support for three years.

### Target Airport Fee Waiver & Marketing Support

	Fee Waivers			Marketing
	Landing	Property	Apron	Support
Year-Round Service	100%	100%	100%	\$80,000
Seasonal	100%	100%	100%	\$50,000

*Marketing Support does not require a dollar match, and the stated value is the two-year maximum for year-round nonstop service, or three-years maximum seasonal nonstop service annual allocation based on TCAA approved budget. "Property" includes passenger loading bridge(s), joint use ticket counter(s), and terminal building fees, which will be waived at 100% over the two-year term or three-years for seasonal nonstop service. The airline will be responsible for any fees not listed above.*



Target Airports include:

- Chicago, IL (ORD and MDW)
- Denver, CO (DEN)
- Fort Myers, FL (PGD and RSW)
- New York City, NY (JFK, LGA, and EWR)
- South Florida (FLL, MIA, and PBI)
- Washington, DC (BWI, DCA, and IAD)
- Or any airport/destination/market without nonstop air service

## Underserved Airports

Underserved Airports are those airports that can support either additional airline competition or a significant increase of capacity on the incumbent carrier. TCAA will provide the air carrier providing air service Fee Waivers and Marketing Support for one year.

### Underserved Airport Fee Waiver & Marketing Support

	Fee Waivers			Marketing
	Landing	Property	Apron	Support
Year-Round Service	100%	100%	100%	\$20,000
Seasonal	100%	100%	100%	\$10,000

*Marketing Support does not require a dollar match, and the stated value is the one-year maximum, annual allocation based on TCAA approved budget. "Property" includes passenger loading bridge(s), joint use ticket counter(s), and terminal building fees, which will be waived at 100% for one year. The airline will be responsible for all fees not listed above.*

Underserved Airports include:

- Orlando, FL (SFB)
- Tampa, FL (PIE)

## Definitions

- A New Entrant Carrier shall be defined as any passenger air carrier that commences nonstop year-round or seasonal service at TRI but has not served the airport on a scheduled basis for the previous twelve months.
- Each Airport within a defined metropolitan area is defined as a separate airport destination and eligible for incentives under this ASIP.
- A Target Airport is an airport receiving new service from TRI, where year-round or seasonal nonstop air service, operated on a daily or less than daily basis, is not provided by any scheduled carriers operating at TRI.
- An Underserved Airport is an airport that can support additional airline competition or a significant increase of capacity by the incumbent carrier.
- Target and Underserved Airports are identified based on TCAA forecasting; TCAA reserves the right to amend this list based on market conditions and airport strategic interests.
- To be defined as seasonal air service, the eligible route must be operated with at least two weekly flights for a minimum of two consecutive months, but less than seven months of the calendar year.
- To be defined as year-round air service, the eligible route must be operated with at least two weekly flights for more than seven consecutive months per calendar year.

## Qualifications

- The carrier, before publicly announcing air service, must notify TCAA of its intent and provide its proposed flight schedule and specify if the air service will be operated year-round, seasonal with daily or less than daily service.
- Fee Waivers and Marketing Support will only be offered to air carriers in good standing with the TCAA. Good standing includes but is not limited to the timely payment of all invoices and reporting.
- For an incumbent carrier to be eligible for the Target or Underserved Airport Fee Waiver and Marketing Support, the new service must result in a net increase in total aircraft departures as calculated monthly and compared to the same month of the previous year for the duration of the waiver period.
- To be eligible, the qualifying air carrier must not have served the Target or Underserved Airport on a scheduled basis during the previous twelve months.
- New Entrant Carriers must identify the ASIP benefit 1) the New Entrant Carrier Waiver or 2) the applicable service to a Target or Underserved Airport.
- Marketing Support can be used for advertising campaigns, radio, direct mail, internet marketing or other agreed-upon promotions. The Airport name must be prominently mentioned or displayed in all campaigns.
- Creative developed using ASIP Marketing Support will be reviewed and approved by TCAA.
- TCAA will negotiate and purchase local media related to Marketing Support for the best rates and promotional opportunities.
- If more than one air carrier announces service to a Target or Underserved Airport, the Fee Waivers and Marketing Support will be awarded to the carrier first to publicly announce the qualifying service.
- TCAA will budget an annual maximum expenditure on Marketing Support. The incentive shall be available until the budget is exhausted.

## Increased/Reduced Operations During Incentive Term

- If the air carrier proposes to provide annual service but later reduces flying to seasonal service, it will be required to reimburse TCAA the difference between the annual and seasonal Marketing Support incentive.
- If the air carrier proposes seasonal service, then extends the service to year-round service within the initial promotional period, the carrier will be eligible for additional Marketing Support based on the difference between the seasonal and annual marketing incentives.

## Reporting

- To receive Fee Waivers and Marketing Support, carriers must report aircraft gross landed weights and total passenger enplanements (revenue and non-revenue) for each eligible month for each incentivized market and all other markets in a timely manner using the reporting form as provided by TCAA.
- Fee Waivers and Marketing Support will be calculated using the first scheduled operation as the start date of the promotional period. It will expire no later than twenty-four consecutive months thereafter for year-round nonstop service, or no later than thirty-six consecutive months thereafter for seasonal service (or such shorter term as stated).

## Compliance with Federal Obligations

The terms and implementation of this Incentive Program shall be, at all times, subordinate to applicable state and federal laws and regulations, and the provisions of any existing or future agreement between the TCAA and the United States Government or governmental authority, relating to the operation or maintenance of the Airport. The Incentive Program may be terminated, in whole or in part, if it is determined to violate applicable laws, regulations, or any assurance by the TCAA to the United States Government in connection with the receipt of federal grants-in-aid or the approval of Passenger Facility Charges.

## ASIP Term

The TCAA Air Service Incentive Program is in effect beginning December 14, 2023, and shall remain in effect for three years (December 13, 2026).