

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

*In re* )  
 )  
Spirit Airlines, Inc., ) Case No. 25-11897 (SHL)  
 )  
Debtor. ) Chapter 11  
 )

**RESPONSE TO DEBTORS' REPLY TO PORT AUTHORITY'S OBJECTION TO  
DEBTORS' BIDDING PROCEDURES MOTION**

Comes Now, the undersigned and on behalf of the Port Authority of New York & New Jersey (the "Port Authority") and files this Response to Debtors' Reply to Port Authority's Objection to Debtors' Bidding Procedures Motion (the "Response"). In support of the Response, the Port Authority states as follows:

1. It should come as no surprise to the Debtors that the Port Authority objected to the bid procedures as they pertain to the LGA slots. The Port Authority operates LaGuardia Airport ("Airport"), the only airport at which Debtors propose to auction slots. Winning operator rights to the LGA runway slots administered by the Federal Aviation Administration ("FAA"), alone, will not enable an airline to fly an aircraft to deplane passengers in a safe and secure manner. Those elements require both the FAA administered runway and terminal access, including gates and aeronautical infrastructure, access to which is administered by the airport operator and which imposes costs and other burdens on the Port Authority, a public agency. As the Debtors acknowledge in their Reply, despite this fact, Debtors did not even "beg[i]n a dialog with the Port Authority" until after its objection was filed. [Dkt. 1171 at ¶3.]

2. Slots are a scarce public resource. As the Airport operator, the Port Authority must be consulted as part of the auction process. Debtors profess intimate knowledge of the

regulatory structure governing slots, and (correctly) take no issue with the Port Authority's statement in its objection that federal regulatory authorities *and* airport operators must be involved in the assignment and transfer of slots. *Accord, Spirit Airlines, Inc. v. United States Dep't of Transportation & Fed. Aviation Admin.*, 997 F.3d 1247, 1256-57 (D.C. Cir. 2021) (concerns raised by the Port Authority should be taken into account in deciding to retire, and not reallocate, slots at Newark International Airport). It is not enough for the Port Authority to have the ability to object after the auction is complete and the Court is considering final approval. Rather, the Port Authority must be involved now to prepare for, and be appropriately compensated for, the transfer of terminal access at the airport.

3. The Port Authority's seat at the table is particularly important because any air carrier willing to purchase the LGA Slots at auction must also be willing to assume from the Debtor the lease of the Marine Air Terminal (Terminal A) at LaGuardia (the "Lease") which covers the gates available to service the flights using the LGA runway slots, and either the Debtors or the recipients of the LGA slots must cure the Debtors monetary and non-monetary defaults under the Lease. Unless there is an assumption of the Lease, the underlying flights will be forced into the remaining LGA terminals (Terminals B&C), causing crowding and congestion of parking and roadways, necessitating additional safety and security measures for the Airport and potentially leaving no slots for use at Terminal A. [Moving the LGA slots out of Terminal A would also shift rents from the Port Authority, which depends upon them to operate the Airport and to maintain Terminal A with passenger service.] Further, a failure of the LGA slot recipients to assume the Lease also increases the risk of anti-competitive behavior such that the recipient airline will not fully utilize the available slots, eliminating certain routes served by Debtors historically, because of the size of their existing slot portfolio and ability to optimize slot usage

under existing FAA regulations, , causing losses and damages to LaGuardia, the Port Authority, and the traveling public.

4. The Port Authority's involvement in the bid process will allow it to address these concerns, ensuring the maximum public benefit will be realized from the transfer of these scarce public resources and will enable all parties to confirm that the auction winner will be able to perform its operations at LaGuardia.

Accordingly, based upon the foregoing, the Port Authority reasserts its objection to the sale of the LGA slots and respectfully requests the Court to enter an order directing the Debtors to involve the Port Authority in any discussions regarding the rules and procedures for the potential auction of the LGA slots.

Respectfully Submitted,

/s/ R. Scott Williams

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**CERTIFICATE OF SERVICE**

I hereby certify that I have served a copy of the foregoing electronically through the CM/ECF system and on the persons listed below on this the 9<sup>th</sup> day of June, 2026.

/s/ R. Scott Williams  
R. Scott Williams

The U.S. Trustee, 1 Bowling Green, New York, NY 10004, Attn: Shara Cornell ([shara.cornell@usdoj.gov](mailto:shara.cornell@usdoj.gov)) and Rachael E. Siegel ([Rachael.E.Siegel@usdoj.gov](mailto:Rachael.E.Siegel@usdoj.gov));

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