

Appendix C

Great Lakes Aviation, Ltd.  
Subsidy Calculation for Essential Air Service at Laramie, Wyoming

Mileages:	LAR-DEN	114		
Departures:		1,842		
Block hours:		1,365		
Flight hours		1,091		
Available seat-miles:		3,9898,772		
Operating revenue:				
Passenger	17,000	LAR-DEN passengers @ \$84.00 average fare		\$1,428,000
Other	0.0062	of passenger revenue of \$1,428,000		<u>8,854</u>
Total operating revenue				\$1,436,854
Operating expense:				
Direct operating expense:				
Flying operations (a)	\$94.11	per block hour		\$128,460
Flying operations (b)	\$5.61	per departure		10,334
Hull insurance	\$4,100	12 months	0.3393	0.50
Fuel & Oil	\$1,272		Gallons per dep.	96
Maintenance (a)	\$75.00	per departure		138,150
Maintenance (b)	\$104.82	per flight hour		114,359
Aircraft lease	\$34,504	12 months		0.50
Total direct operating expense				<u>\$831,604</u>
Indirect operating expense:				
LAR facility lease	\$900.00	12	months	\$10,800
LAR landing fees	\$13.94	921		12,839
LAR deicing charge	\$125.00	115	estimated apps.	14,375
LAR local marketing				5,000
LAR station manager				26,000
LAR station agent	\$20,800	2	agents	41,600
Crew overnight	\$175.00	358		62,650
DEN cost per turn	\$264.00	921	DEN departures	243,144
DEN airport baggage system fees	\$1.46	8,500	DEN enplanements	12,410
DEN airport terminal transit system fee	\$1.45	8,500	DEN enplanements	12,325
DEN United baggage system fee	\$4.68	8,500	DEN enplanements	39,780
Passenger-related	\$16.63	17,000	total passengers	282,710
Administrative	\$0.0142	4,002,768	available seat-miles	<u>56,655</u>
Total indirect operating expense				<u>\$820,288</u>
Total operating expense				<u>\$1,651,892</u>
Operating loss				\$215,038
Profit element	0.05	\$1,651,892	Total operating expense	<u>82,595</u>
Compensation requirement				<u>\$297,633</u>