

## Pacific Wings, Essential Air Service to be Provided to Hana, Hawaii, Docket 99-6502

Service:	13 r.t./week to Honolulu & 19 r.t./week Kahului 1/	
Kahului @ \$33.58		\$130,559
Honolulu @ \$41.53		\$174,924
<u>Honolulu Cargo</u>		<u>\$48,000</u>
Total Revenue		\$353,483 2/
C-402 Hours		1,598 3/
C-172 Hours		417 3/
Crew @ \$52.70/Hr. & \$35.30/hr.		\$98,935
Fuel & Oil @ \$75.13 & \$17.55/hr.		\$127,376
Maintenance @ \$115.89 & \$36.15/hr.		\$200,267
Aircraft Ins. @\$16.10 & \$10.11/hr.		\$29,944
<u>Lease/Depr. @ \$22.44 &amp; \$11/hr.</u>		<u>\$40,446</u>
Total Directs		\$496,968
Hana Station		\$66,355
Kahului Station		\$14,187
Honolulu Station		\$21,188
<u>Admin. &amp; Overhead</u>		<u>\$261,342</u>
Total Indirects		\$363,072
Operating		\$860,040
Return @ 5%		\$43,002
<u>Interest @ 2.9%</u>		<u>\$24,941</u>
Economic Cost		\$927,983
Annual Subsidy		\$574,500

1/ Although the subsidy calculation is based on ten C-402 and nine C-172 round trips a week to Kahului, Pacific Wings may substitute each aircraft for the other at Kahului, with each C-172 counted as half of a C-402 for payout purposes, up to the weekly ceiling.

2/ Kahului:  $3,888 \times \$33.58 = \$130,559$

Honolulu:  $4,212 \times \$41.53 = \$174,924$

Honolulu: UPS Contract, available only if two trips/day flown.

3/ Honolulu, C-402:  $26 \text{ flt./week} \times 57 \text{ min./flt.} \times 52 \text{ weeks} \times .99 \text{ completion} = 1,272 \text{ hrs.}$

Kahului, C-402:  $20 \text{ flts./week} \times 19 \text{ min./flt.} \times 52 \text{ weeks} \times .99 \text{ completion} = 326 \text{ hrs.}$

Kahului, C-172:  $18 \text{ flts./week} \times 27 \text{ min./flt.} \times 52 \text{ weeks} \times .99 \text{ completion} = 417 \text{ hrs.}$