



ESSENTIAL AIR SERVICE

ADAK, ALASKA

Service to be provided with Fairchild SA-227 aircraft with 17 passenger seats, or combi configuration of 10 passengers and rest mail and cargo, maximum payload 3,200 lb.

SCHEDULE:

	dep	arr
ANC	8:00 am	CDB 10:30 am
CDB	11:00 am	ADK 12:15 pm (BST)
ADK	12:45 pm (BST)	CDB 4:00 pm (AST)
CDB	4:30 pm	ANC 7:00 pm

Peak season Apr 1 - Sept 30; five flights per week.
 Off-peak season Oct. 1 - March 31; three flights per week.
 9.6 hr RT, Total block hr 1,248 peak, 749 off-peak.

REVENUE

		26 week	
		Peak	Off-peak
Passenger,	@ \$550	600=\$330,000	300=\$165,000
Mail	@ \$6.00/lb	288,000	216,000
Total Revenue		<u>\$618,500</u>	<u>\$381,000</u>

COST

		26 week	
		1,248 hr	749 hr
Pilot & Co-pilot	@ \$117.82	\$147,039	\$88,247
Fuel & Oil	@ \$119.85	149,573	89,768
Other	@ \$34.15	42,619	25,578
Maintenance	@ \$200.48	250,199	150,160
Depreciation	@ \$91.58	114,292	68,593
Subtotal Direct		\$703,722	\$422,346
Indirect	@ \$331.67	\$413,924	\$248,421
Total operating expense		\$1,117,646	\$670,767
Return @ 5%		55,882	33,538
Total Economic cost		<u>\$1,173,528</u>	<u>\$704,305</u>
Subsidy @ 100%		\$555,028	\$323,305
Total Annual Subsidy Need		\$878,333	