



Correspondence

Docket OST-8556-32

Mr. Dennis DeVaney, Chief
Essential Air Service Division
Department of Transportation
Office of the Secretary
400 Seventh Street, SW
Washington D.C. 20590-0001

June 21, 2001

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Dear Dennis:

The City of Adak has expressed a preference for the combination service proposed by Evergreen Airlines utilizing B727-100 aircraft. There is an expectation that it would take Evergreen approximately 120 days to acquire and place into service such an aircraft, but as of this date, no final order or official selection has yet been issued. In Order 2001-6-15, the department has revised the existing emergency subsidy order and has re-selected PenAir to provide passenger service in their Metro 23 aircraft in accordance with their long-term proposal, ostensibly on an interim basis "until further department action." The Department has elected to take this action based in part on the unique needs of Adak. In the order, the carrier [(PenAir)] is quoted that it...

"acknowledges that this request (for a different service pattern) and any revision by the Department to the interim service provided by PenAir under the short term subsidy rate is without prejudice to the Department's determination in the pending carrier-selection process."

Northern Air Cargo, (NAC), wishes to similarly volunteer to provide scheduled all-cargo service between Anchorage and Adak in accordance with its long-term proposal until such time that the department does select a carrier and subsidized service begins. In the event the department selects NAC as the carrier to provide subsidized service for the long term, we would simply continue to provide service in accordance with the order so directing. In the event the department selects Evergreen or a carrier other than NAC to provide long-term freight and mail service under the subsidy program, NAC would voluntarily discontinue providing subsidized service at such time as may be indicated in the order. The overriding benefit of such a proposal is that the residents of Adak will not be forced to wait until whatever carrier selected by the department is able to commence service, similar to the benefit provided under the current PenAir program for passenger service. NAC can begin such service within seven days of notification.

Sincerely,

R.J. Halford
Vice President,
Northern Air Cargo Inc.