Subsidy Calculation for Horizon Air
Essential Air Service At Moses Lake, Washington

Round Trips MWH-SEA	2 per day
REVENUE	
# pax	12,000
fare	$67.00
Pax Rev	$804,000
Wenatchee Offset	($63,128)
Net Pax Rev	$740,872
Freight (4 % pax rev.	$32,160
Total Rev	$773,032
Block Hours	405
EXPENSES	
Direct Expenses	$592,292
Indirect Expenses	$352,960
Total Oper Costs	$945,252
Profit @ 5%	$47,263
Total Economic Costs	$992,515
Compensation	$219,483
Subsidy per Pax	$18.29

Direct Operating Expenses		
Flying Ops.	(352.83/BH)	142,896.15
Fuel & Oil	(143.84/BH)	58,255.20
Maintenance	(568.87/BH)	230,392.35
Rent/Depn.	(396.91/BH)	160,748.55
Total Directs		592,292.25
Indirect Operating Expenses		
Sales & Mktg		85,200.00
G&A		44,550.00
Commissions		67,536.00
PAX Liab. Ins.		6,117.36
Advertising		5,000.00
Stations		144,557.00
Total Indirects		352,960.36
Total cost/BH		$2,334
RPM's		1,704,000

Stations		
MWH		$95,997
EAT		$48,560
Total		$144,557

	Min/flt	flt/day	
Skd Min/day	20	4	80
# days			313
Total skd mins			25040
Total skd hours			417.33

Completion		0.97
Block Hours Skd		417
Block Hours @ 97%		405
Departures		1,214
RPM's		1,704,000
ASM's		640,992
Load Factor		37.617
RPM's	MWH-SEA Pax	12,000
	MWH-SEA Miles	142
	Total RPMs	1,704,000