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DEPT. OF TRANSPORTATION
BUREAU OF AIR TRANSPORTATION

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

99 JUN 25 PM 3:11

Proposal of
GREAT LAKES AVIATION, LTD.
to provide **Essential Air Service**
at Alamosa, Colorado

Docket OST-97-2960

PROPOSAL OF GREAT LAKES AVIATION, LTD.
TO PROVIDE ESSENTIAL AIR SERVICE
AT ALAMOSA, COLORADO

In response to U.S. Department of Transportation order 97-12-8 in which the Department requested proposals from air carriers interested in providing essential air service at Alamosa, North Platte, Scottsbluff, Laramie, Riverton/Lander, Rock Springs and Worland, Great Lakes Aviation, Ltd. submits the following.

1. Identification of carrier.

Great Lakes Aviation, Ltd.
1965 330th Street
Spencer, IA 51301

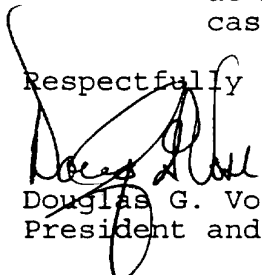
Communications with respect to this document should be directed to:

Douglas G. Voss
President and Chief Executive Officer
Great Lakes Aviation, Ltd.
1965 330th Street
Spencer, IA 51301

Telephone: 712-262-1000
FAX: 712-262-1001

2. Great Lakes Aviation currently provides subsidized essential air service between Denver, CO and a number of communities in Nebraska, Colorado, Kansas and North Dakota.
3. These flights are operated as United Express service under a comprehensive marketing agreement with United Airlines.
4. If selected to provide service in the markets covered in Order 97-12-8, Great Lakes Aviation proposes to operate flights at these communities as United Express and will request approval from United Airlines accordingly.
5. The schedule exhibits contained therein are constructed for the purpose of calculating revenues and expenses and, in actual practice, may vary some in consideration of maximizing connecting opportunities with other airlines at Denver as well as other operational factors. In some cases weekend service may exceed the levels shown.

Respectfully Submitted,


Douglas G. Voss
President and Chief Executive Officer

Great Lakes Aviation, Ltd.

EAS for : **Alamosa (ALS), CO** 3 Weekday Round trips
Selected Hub: **Denver (DEN), CO**
Selected Aircraft: **Beech 1900**

Available Seats **19**

Frequency	City	Schedule	Block Time	Miles	ASM's
12345	Alamosa	625	60	169	3211
	Denver	725			
	Denver	1030	60	169	3211
	Alamosa	1130			
12345	Alamosa	1150	60	169	3211
	Denver	1250			
	Denver	1530	60	169	3211
	Alamosa	1630			
12345	Alamosa	1650	60	169	3211
	Denver	1750			
	Denver	2030	60	169	3211
	Alamosa	2130			
6	Alamosa	625	60	169	3211
	Denver	725			
	Denver	1030	60	169	3211
	Alamosa	1130			
7	Alamosa	1150	60	169	3211
	Denver	1250			
	Denver	1530	60	169	3211
	Alamosa	1630			
7	Alamosa	1650	60	169	3211
	Denver	1750			
	Denver	2030	60	169	3211
	Alamosa	2130			

Hours per Year	1,878	Annual ASMs	6,030,258
Completion Factor	98.00%		
Annual Block Hours	1,840	Net Annual ASMs	5,909,653
Subsidy Eligible Arv/Dpts	1,840	(98% Completion)	
Total Cycles	1,840	(98% Completion)	

Great Lakes Aviation, Ltd.

EAS for : **Alamosa (ALS), CO**

Revenue Projection for proposed schedule

City Pair	Distance	Yield	Average Fare	Passengers	Revenue	RPMs
ALS-DEN	169	0.414	\$70.00	8000	\$560,000.00	1,352,000
Totals				8000	\$560,000.00	1,352,000
Freight Revenue				1.00% of Pax Rev	\$5,600.00	
Grand Total Revenue					\$565,600.00	
Average yield					\$0.4183	

Direct Expense:

			Hours	Rate	Expense	
Aircraft Lease	75.00%	\$33,000	1,840		297,000	
Hull Insurance	75.00%	\$4,100,000	A/C Value	Rate / 1000	0.006695	15,441
Flying Operations	Equivalent	\$71.98	1,840	\$0.0224175 ASM	132,480	
Fuel & Oil	Hourly	\$99.73	1,840	\$60.57 DPT / \$0.0122 ASM	183,547	
Maintenance	Rate	\$89.17	1,840	\$50.65 DPT / \$0.0120 ASM	164,112	
Total Direct Expense					\$792,579	

Indirect Expense:

	Units	Rate		Expense
ALS Facility Lease	12	\$700.00	Month	8,400
ALS Landing Fee	12	\$600.00	Month	7,200
ALS Local Advertising	1	\$5,000.00		5,000
Station Manager		\$22,600.00	Year	22,600
Station Agent		\$17,300.00	Year (3 Agents)	51,900
DEN Ground Handling and Facility Fee				
DEN Landing Fee				
DEN Airport Baggage System Fee	TOTAL	920	\$203.74 Turn	187,441
DEN Airport Terminal Transit System Fee		8000	\$1.31 Passenger	10,480
DEN United Baggage System Fee		8000	\$4.25 Passenger	34,000
Liability Insurance	1,352,000	RPM's @	0.00429 per RPM	5,796
Marketing	8,000		\$1.54 per passenger	12,320
Communications	8,000		\$1.15 per passenger	9,200
Reservations	8,000		\$7.44 per passenger	59,520
Supplies	8,000		\$1.91 per passenger	15,280
Commissions	\$565,600.00		7.50% of Revenue	42,420
Training Expense	\$792,578.96	@	2.57% of directs	20,369
Administrative	\$792,578.96	@	6.00% of directs	47,555
Total Indirect Expense				\$539,481

Great Lakes Aviation, Ltd.

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EAS for : **Alamosa (ALS), CO**

Operating Revenue's **\$565,600.00**

Operating Expense:

 Direct **\$792,578.96**

 Indirect **\$539,480.84**

Total Operating Expenses **\$1,332,059.81**

Operating Loss **\$766,459.81**

Profit Element 5.00% **\$66,603**

Compensation Requirement **\$833,063**

Grand Total Revenue Required **\$1,398,662.80**

Subsidy per Passenger **\$104.13**

Subsidy per Eligible Departure **\$452.75**

Load Factor **22.88%**

Breakeven Load Factor **53.88%**