



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Order 2004-7-20

Issued by the Department of Transportation
on the 22nd day of July, 2004

Essential air service at

**BECKLEY, WEST VIRGINIA
BLUEFIELD/PRINCETON, WEST VIRGINIA**

under 49 U.S.C. 41731 *et seq.*

Served: July 27, 2004

Docket OST-1997-2761

ORDER

Background

By Orders 2002-4-25, April 29, 2002, and 2002-10-34, October 28, 2002, the Department selected Colgan Air, Inc., d/b/a US Airways Express, to provide subsidized essential air service at Beckley and Bluefield/Princeton for the two-year period ending July 31, 2004, by operating 18 nonstop or one-stop round trips a week to either Pittsburgh or Washington Dulles International Airport with 19-seat Beech 1900 aircraft at a subsidy of \$2,067,693 annually. Colgan has operated the communities' service to Pittsburgh under those orders.

More recently, by Order 2004-6-14, June 18, 2004, the Department reselected Colgan to provide subsidized service at the two communities for a new two-year period from August 1, 2004, through July 31, 2006, but with a change in the service pattern. Under the new order, the Department has authorized Colgan to operate 12 nonstop or one-stop round trips a week to Dulles plus 6 to Columbus with Beech 1900 aircraft at a subsidy of \$2,017,064 annually. Both communities expressed support for the new service pattern.

Carrier Request

In a letter dated July 13, Colgan states that it will not be able to implement the communities' new service pattern until September 13. Colgan therefore requests that the Department extend the current subsidy rate for its Pittsburgh service, due to expire on July 31, until it is able to implement the new service pattern.

Decision

We will grant Colgan's request by extending the current rate until Colgan implements the new service pattern or until October 1, whichever is first, at which time the new rate will become effective. If Colgan has not implemented the new service pattern by October 1, the new, slightly lower subsidy rate will nonetheless become effective on that date. Although the effective date of the new rate term is being briefly postponed here, it will continue to run through July 31, 2006.

This order is issued under authority delegated in 49 CFR 1.56a(f).

ACCORDINGLY,

1. We extend the effectiveness of the subsidy rate established by Orders 2002-4-25 and 2002-10-34 until Colgan Air, Inc., d/b/a US Airways Express, implements the service pattern authorized by Order 2004-6-14 or until October 1, 2004, whichever is first;
2. We postpone the effectiveness of the subsidy rate established by Order 2004-6-14 until Colgan Air, Inc., d/b/a US Airways Express, implements the service pattern authorized by

Order 2004-6-14 or until October 1, 2004, whichever is first;

3. This docket will remain open until further order of the Department; and
4. We will serve copies of this order on the mayors and airport managers of Beckley and Bluefield/Princeton, West Virginia, and Colgan Air, Inc., d/b/a US Airways Express.

By:

KARAN K. BHATIA
Assistant Secretary for Aviation
and International Affairs

(SEAL)

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