

**U.S. Department of  
Transportation**Office of the Secretary  
of TransportationOST-2003-15553-28  
CORRESPONDENCE400 Seventh St., S.W.  
Washington, D.C. 20590

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March 7, 2006

The Honorable Debra Fogus  
Mayor, City of White Sulphur Springs  
34 West Main Street  
White Sulphur Springs, WV 24986

Dear Mayor Fogus:

As you know, by Order 2006-1-23, January 30, 2006, the Department requested proposals from carriers interested in providing scheduled air service at Greenbrier/White Sulphur Springs/Lewisburg under the essential air service program for a new two-year period beginning June 1, 2006, with or without subsidy.

In response to our request, we have received a proposal from two carriers: from Mesa Air Group, Inc., on behalf of its subsidiary and the incumbent, Air Midwest, and from RegionsAir, Inc. Copies of the carriers' proposals are enclosed, and are summarized below:

- Mesa/Air Midwest's proposal contains two options. Option 1 proposes 7 nonstop round trips a week to Charlotte, 5 to Dulles and 4 to Pittsburgh at an annual subsidy of \$999,479. Option 2 proposes 7 nonstop round trips a week to Charlotte and 6 to Pittsburgh at an annual subsidy of \$685,040. Under either option, Air Midwest would continue operating 19-seat Beech 1900 aircraft.
- RegionsAir proposes 12 nonstop round trips a week to Cleveland with 30-seat Saab 340A aircraft at an annual subsidy of \$1,362,375.

In reviewing the carriers' subsidy calculations, it is important to bear in mind that the projected passenger revenues are not simply based on the average local fares that passengers would actually pay. Rather, they are based on the carriers' expected revenue per passenger, and therefore largely reflect the prorated shares of ticket prices that the carrier expects to receive for providing the local segments of through trips -- for example, the Greenbrier-Charlotte segment of a Greenbrier-Charlotte-Miami trip.

We would appreciate receiving your final comments on the carriers' proposals before we make our recommendation to the Acting Assistant Secretary. In particular, we recommend that you list more than one choice, in order of preference.

We ask that you submit your comments within two weeks of receipt of this letter. You may mail them to me at the U.S. Department of Transportation, Room 6401, 400 7th St. S.W., Washington, DC 20590. In order to expedite the process, however, we would appreciate your faxing your comments to me at 202-366-7638. Copies should also be sent to the carriers. If you have any questions, please contact me at 202-366-1061 or Ed Niederberger of my staff at 202-366-1039.

An identical letter is being sent to Mayor Manchester of Lewisburg. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Dennis J. DeVany". The signature is written in black ink and has a long, sweeping tail on the final letter.

Dennis J. DeVany, Chief  
EAS & Domestic Analysis Division  
Office of Aviation Analysis

Enclosures