

389653



DEPT. OF TRANSPORTATION
DOCKETS

2000 MAR 13 P 3: 18

P.O. BOX 539
MILE 1313 ALASKA HIGHWAY
TOK, ALASKA 99780
907-883-5191
FAX - 907-883-5194

Fairbanks Int'l Airport
6450 Airport Way Suite 20
Fairbanks, Alaska 99709
907-474-0018
FAX - 907-474-8954

**Proposal to Provide Essential Air Service
at Healy Lake, Alaska
Docket OST 98-3546 -11**

Route FAI – HKB – FAI
Frequency 2 Round Trips per Week
Aircraft Type Cessna 206 or 207(5 seats)
Annual Block Hours 1 208

<u>Revenue</u>	<u>Distance</u>	<u>Rate</u>	<u>Amt./lbs.</u>	<u>Revenue</u>
Passenger	100	\$70.00		\$ 7,000.00
Cargo		\$.30	8200	\$ 2,460.00
Mail		\$ 1.05	2400	<u>\$ 2,520.00</u>
Total Operating Revenue				\$11,980.00

<u>Direct Operating Expense</u>	<u>Unit cost</u>	<u>Expense</u>
Pilot & Copilot	\$79.00 per BH	\$16,432.00
Fuel & Oil	\$65.80 per BH	\$13,686.40
Maintenance	\$65.00 per BH	\$13,520.00
Depreciation	\$22.85 per BH	\$ 4,752.80
Insurance	\$66.26 per BH	\$13,782.08
Agent Fee	\$20.00 per HKB dept.	<u>\$ 2,080.00</u>
Total Direct Operating Expenses		\$62,173.28

Indirect Operating Expenses
@25% of Direct Operating Expenses net of Depreciation \$14,355.12

Total Operating Expenses \$76,528.40

Operating Loss \$64,548.40

Profit Element @ 5% of Total Operating Expense \$ 3,826.42

Subsidy Need @100% \$68,374.82

1 Block hours = (FAI – HKB, 1hr.) x 4 flights/week x 52 = 208 hours