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DEPT. OF TRANSPORTATION
 DOCKETS

2006 APR 17 A 9:22

Proposal to Provide Essential Air Service
 at Healy Lake, Alaska
Docket OST 98-3546 -13

2/14/06, corrected 04/03/06

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 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			\$64,253.28
<u>Indirect Operating Expenses</u>			
@25% of Direct Operating Expenses net of Depreciation			\$14,875.12
Total Operating Expenses			\$79,128.40
Operating Loss			\$67,148.40
Profit Element @ 5% of Total Operating Expense			\$ 3,956.42
Subsidy Need @100%			\$71,104.82

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