

Before the United States Department of Transportation

Washington, DC

October 30, 2007

DEPT. OF TRANSPORTATION
DOCKETS

2007 OCT 31 A 11: 10

Essential Air Service at:

MANHATTAN, KANSAS
SALINA, KANSAS

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

Docket OST-2003-15483 ✓
Docket OST-2002-11376 ✓

This document contains the response of Great Lakes Aviation, LTD. to Order Requesting Proposals 2007-9-28.

Great Lakes Aviation, LTD. is pleased to submit these proposals to provide essential air transportation to the Kansas communities addressed in the Order. Great Lakes has more than 20 years of experience in providing reliable Essential Air Service. The proposed service is being offered with local service marketed and priced utilizing the Great Lakes (ZK) reservations system, which includes customer ticket purchasing capability on both the Great Lakes web site and on all major web booking engines (Orbitz, Travelocity, Expedia, etc.)

Great Lakes' proposals all contemplate conveniently timed connecting services to interline carriers and/or our code share partners United and Frontier. Our code share agreements will give Manhattan and Salina the greatest competitive opportunity available. Great Lakes maintains interline ticketing and baggage agreements with the majority of the other carriers operating from hubs in Kansas City, St. Louis and/or Denver. Optional service transitions to our St. Louis or Denver hubs can be provided for the same subsidy dollars when, and if, a community coordinated and supported air service transition plan is agreed upon.

The costing of the proposal contemplates the use of pressurized 19 seat Beech 1900D's, which the Company has had a long history of operating.

Questions and comments may be referred to:

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Table of Contents:

Proposal Number	Service Point(s)	Hub(s) Served	Daily Non Stop Round Trips	Equipment	Subsidy Requirement	Passengers Forecast	MCI Average Fare
	Salina, Kansas	Kansas City or Denver	2	1900D		5,500	\$77.50
	Manhattan, Kansas	Kansas City or Saint Louis	3	1900D		22,500	\$67.10
					\$1,997,237	28,000	

WHEEL LAKES AVIATION, LTD.

Annual Compensation Requirements for Essential Air Service at
Salina & Manhattan, Kansas to Kansas City
 SLN Two Round Trips Daily - MHK Three Round Trips Daily - B1900
 98.0% completion factor

Departures: 3,577
 Block Hours: 2,516
 Revenue Passenger Miles: 3,248,000
 Available Seat Miles: 8,658,486

Operating Revenues:
 Passenger: SLN-MCI 5,500 psgrs at \$77.50 \$426,250
 MHK-MCI 22,500 psgrs at \$67.10 \$1,509,750
 Other: (at 0.62% of passenger revenue) \$12,003

Total Operating Revenues: **\$1,948,003**

Operating Expenses:
 Direct: Aircraft and Hull Insurance \$374,715
 Fuel and Oil \$1,152,224
 Flying Operations \$397,453
 Maintenance \$807,280

Total Direct Expenses: **\$2,731,672**
 Total Indirect Expenses: **\$1,025,700**

Total Operating Expenses: **\$3,757,372**

Operating Loss (\$1,809,369)
 Profit Element (5.0% of Total Operating Expenses) **\$187,869**

Annual Compensation Requirement: **\$1,997,237**

Schedules presented were developed for subsidy calculation purposes - actual schedules will be Community coordinated

Ft #	Freq	Flow	Schedule	Block Time	Miles	ASMS	Equip
5001	1234567	MHK-MCI	0555-0630	35	105	1995	BE1
5002	1234567	MCI-SLN	0650-0740	50	161	3059	BE1
5003	1234567	SLN-MCI	0750-0840	50	161	3059	BE1
5004	1234567	MCI-MHK	1230-1309	39	105	1995	BE1
5005	1234567	MHK-MCI	1320-1355	35	105	1995	BE1
5006	1234567	MCI-SLN	1555-1645	50	161	3059	BE1
5007	1234567	SLN-MCI	1655-1745	50	161	3059	BE1
5008	1234567	MCI-MHK	1415-1454	39	105	1995	BE1
5010	1234567	MHK-MCI	1510-1545	35	105	1995	BE1