



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

Order 99-6-21

Served June 29, 1999

Issued by the Department of Transportation  
on the 25<sup>th</sup> day of June, 1999

Ninety-day notice of

**GREAT LAKES AVIATION, INC.,  
d/b/a UNITED EXPRESS**

**Docket OST-1999-5722**

of intent to terminate service at Lafayette, Indiana,  
pursuant to 49 U.S.C. 41731 *et seq.*

**ORDER ALLOWING SUSPENSION OF SERVICE  
AND RECALLING O'HARE SLOT EXEMPTIONS**

**Summary**

By this order, the Department is allowing Great Lakes Aviation, Ltd., d/b/a United Express, to suspend service between Lafayette, Indiana, and Chicago O'Hare International Airport as of August 18, 1999, and recalling four O'Hare slot exemptions that had been assigned to the carrier.

**Background**

On May 20, 1999, Great Lakes filed a 90-day notice of intent to suspend its unsubsidized essential air service at Lafayette as of August 18, 1999. Great Lakes currently operates three nonstop round trips each weekday and five each weekend between Lafayette and O'Hare with 19-seat Beech 1900 aircraft. The carrier has been operating the community's service over a Terre Haute-Lafayette-O'Hare routing. The Department recently allowed Great Lakes to suspend service at Terre Haute as of June 8, 1999, but it has not yet done so.<sup>1</sup>

Great Lakes' suspension would leave Lafayette without the level of service specified by its essential air service determination, which requires at least two nonstop round trips a day to Chicago providing a minimum of 62 seats in each direction.<sup>2</sup> In addition to Great Lakes' service, however, the community is served by Mesaba Aviation, Inc., d/b/a Northwest Airlin, which operates three round trips each weekday and five each weekend to Detroit with 34-seat Saab SF 340 aircraft. One round trip a day is nonstop, the others are one-stop.

**Community Comments**

<sup>1</sup> See the Appendix for a map. The Department allowed Great Lakes to suspend Terre Haute's service by Order 99-5-8, May 14, 1999.

<sup>2</sup> See Order 83-6-3, June 1, 1983. Great Lakes' filing is styled as a 30-day notice in which the carrier states that it intends to suspend service at Lafayette on July 11, 1999. Because Great Lakes' suspension would leave the community with service below the established essential air service level, however, we are treating the carrier's filing as a 90-day notice under 49 U.S.C. 41734(a). Department staff has discussed the matter with Great Lakes, and the carrier concurs with that treatment.

On behalf of the Lafayette community, the Director of the Purdue University Airport has filed comments in response to Great Lakes' notice. The community states that it understands that Great Lakes is apparently unable to operate the route profitably because of current capacity restraints at O'Hare,<sup>3</sup> and that the Department cannot require Great Lakes to maintain service on the route. The community asks that the Department nonetheless maintain Chicago as its designated hub in the hope that the restraints at O'Hare will be lifted, which might allow Great Lakes to continue operating the route or at least improve the community's ability to attract a replacement carrier.

### Decision

After a thorough review of Great Lakes' notice and the community's answer, we have decided to allow Great Lakes to suspend service at the end of the 90-day notice period, on August 18, 1999. As the community correctly notes, we cannot require Great Lakes to maintain service beyond the notice period. As in past years, the Department's fiscal year 1999 appropriation prohibits us from paying subsidy to support essential air service at any community located within 70 highway miles of a large or medium hub. Lafayette is 61 highway miles from Indianapolis International Airport, a medium hub.<sup>4</sup> Because we are unable to pay subsidy for Great Lakes' service, we cannot require it to continue service beyond the end of the 90-day notice period.

Consistent with the community's wishes, we will maintain Chicago as Lafayette's designated hub. Although we are allowing Great Lakes to suspend service after August 18, the carrier may of course choose to stay beyond then for reasons of its own -- for example, if it appears that the capacity controls at O'Hare might be relaxed in the near future.

In any event, Mesaba's service to Detroit will continue to provide Lafayette with a link to the national air transportation system, although Detroit is not specified as the community's hub in its essential air service determination. We would hope that, if demand for air service at Lafayette is sufficient, Mesaba will increase its service there as a matter of self-interest, or another carrier might decide to inaugurate service.

As a final matter, we did not direct the FAA to recall any O'Hare takeoff and landing slot exemptions from Great Lakes in connection with its intended suspension of service at Terre Haute because, at that time, the carrier still needed those exemptions to provide service at Lafayette. But if Great Lakes should suspend service at both Terre Haute and Lafayette, it will no longer need those exemptions. Consequently, we will direct the FAA to recall them from Great Lakes as soon as the carrier suspends its service at the two communities.<sup>5</sup>

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

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<sup>3</sup> Subparts K and S of 14 CFR Part 93 designate New York's John F. Kennedy and La Guardia Airports, Chicago's O'Hare Airport and Washington's Ronald Reagan National Airport as high-density traffic airports, and prescribe air traffic rules for operating aircraft, other than helicopters, to and from those airports. The regulations limit the hourly number of allocated Instrument Flight Rule (IFR) takeoffs and landings that may be reserved for specified classes of users. By Order 94-10-47, October 31, 1994, we granted Great Lakes 24 slot exemptions for the specific purpose of providing service between six communities and O'Hare, including four slot exemptions for Terre Haute-O'Hare service which Great Lakes is currently using to operate the Terre Haute-Lafayette-O'Hare route.

<sup>4</sup> As published in the Federal Aviation Administration's annual report, *Airport Activity Statistics of Certificated Route Carriers*, hub classifications are based on each hub's enplanements as a percentage of all U.S. enplanements. A large hub accounts for at least 1.00 percent, a medium hub for at least 0.25 but less than 1.00 percent, and a small hub for at least 0.05 but less than 0.25 percent. During calendar year 1997, the most recent year for which data are available, Indianapolis accounted for 0.59 percent of all U.S. enplanements.

<sup>5</sup> The slot exemptions at issue are identified in Appendix B. In Order 99-5-8, we offered them to carriers interested in providing unsubsidized replacement service at Terre Haute. Our request for carrier proposals in that case has not elicited any response, but the slot exemptions remain available for that purpose or any other that we might find suitable.

**ACCORDINGLY,**

1. We take no action to prohibit Great Lakes Aviation, Ltd., d/b/a United Express, from suspending scheduled air service at Lafayette, Indiana, as of August 18, 1999;
2. We direct the Federal Aviation Administration to recall four slot exemptions, as identified in Appendix B, when Great Lakes Aviation, Ltd., d/b/a United Express, suspends its service at Terre Haute and Lafayette, Indiana;
3. This docket will remain open until further Department order; and
4. We will serve a copy of this order on the mayor and airport manager of Lafayette, Indiana; the Chicago Department of Aviation; Great Lakes Aviation, Ltd., d/b/a United Express; and Mesaba Aviation, Inc., d/b/a Northwest Airlink.

By:

**A. BRADLEY MIMS**  
Acting Assistant Secretary for Aviation  
and International Affairs

(SEAL)

## Appendix B

### O'HARE SLOT EXEMPTIONS

2:10-2:14 PM  
3:30-3:34 PM  
4:30-4:34 PM  
6:25-6:29 PM