

Order 2002-3-5

Served: March 12, 2002



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

Issued by the Department of Transportation  
on the 7th day of March, 2002

Essential Air Service at

**NORTH PLATTE, NEBRASKA**

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

**Docket OST-1999-5173 - 14**

**ORDER REQUESTING PROPOSALS**

**Summary**

By this order we are requesting proposals from air carriers interested in providing essential air service at North Platte, Nebraska.<sup>1</sup>

**Background**

By Orders 99-9-14, September 21, 1999, and 2000-1-1, January 3, 2000, the Department selected Great Lakes Aviation, Ltd., to provide essential air service at North Platte, Nebraska. Subsidy was set at an annual rate of \$106,606 for the period May 31, 1999, through October 31, 2002, for a minimum of three round trips each weekday and each weekend, with 19-seat Beach 1900-D aircraft. By Order 2001-11-14, November 28, 2001, that rate was extended as an interim rate, subject to retroactive adjustment.

Our normal procedure as we near the end of an essential air service carrier selection term would be to negotiate a new rate with the incumbent carrier and issue a "show cause" order tentatively selecting the carrier for a new two-year rate term. Other carriers would have the opportunity to object to our tentative selection and to file competing proposals. The Department would then process a formal carrier selection case. We have, however, been notified that at least one other prospective applicant has an interest in submitting a proposal to provide essential air service at North Platte.

<sup>1</sup> See Appendix A for a map of the service area.

Accordingly, we will forego the show-cause procedure and instead request replacement service proposals now.

### **Essential Air Service Determination**

Essential air service at North Platte is defined as at least two round trips each weekday and each weekend to either Denver (one intermediate stop permitted) or Omaha (one intermediate stop permitted), with sufficient capacity to accommodate 50 enplanements each service day.<sup>2</sup> To accommodate this traffic under the Department's Policy (14 CFR 398), 67 seats a day should be provided with 15-seat or larger aircraft.

### **Request for Proposals**

We will solicit proposals from carriers interested in providing replacement service at North Platte. We note that North Platte has averaged 50 enplanements a day in only one year (1993) since 1985 and has been in the 25-35 enplanement-per-day range for the last several years. Therefore, we request proposal options that would provide the community with service to either of its designated hubs of Denver or Omaha consisting of at least three round trips a day, nonstop or one-stop, six days a week, with twin-engine, two-pilot, 15-passenger-seat or larger, pressurized aircraft. The proposals should offer at least enough daily seats to accommodate the most recent average daily enplanements at a 60-percent load factor. We will also entertain proposals to serve other hubs that provide access to the national air transportation system in order to give the Department and the community as broad an array of proposals as possible from which to choose. Of course, as always, we will formally solicit the community's views on any service options we receive before making a long-term carrier selection decision. In order to assist carriers in making their traffic and revenue forecasts, we have included historical traffic data in Appendix B.

### **Procedures for Filing Proposals**

For interested carriers unfamiliar with our procedures and recommended form for supplying the necessary information, we have prepared two explanatory documents that we will make available upon request. The first describes the process for handling carrier replacement cases under 49 U.S.C. 41734(f), and discusses in detail the process of requesting proposals, conducting reviews of applicants, and selecting a replacement carrier. The second is an evidence request containing an explanatory statement, a copy of Part 204 of our regulations (14 CFR Part 204), and schedules setting forth our recommended form for submitting data required for calculating compensation and determining the financial and operational ability of applicants to provide reliable essential air service. (Section 204.4 describes the fitness information required of all applicants for authority to provide essential air service.) Applicant carriers that have already submitted this information in another case need only resubmit it if a substantial change has occurred. However, if there are more recent data or if there have been any changes to the information on file, carriers should provide updates of those information elements.

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<sup>2</sup> Order 94-4-1, April 1, 1994.

Interested carriers that need to obtain copies of these documents may contact the Office of Aviation Analysis at (202) 366-1053.

### **Other Carrier Requirements**

The Department is responsible for implementing various Federal statutes governing lobbying activities, drug-free workplaces, and nondiscrimination.<sup>3</sup> Consequently, all carriers receiving Federal subsidy to support essential air service must certify that they are in compliance with Department regulations regarding drug-free workplaces and nondiscrimination, and those carriers whose subsidies exceed \$100,000 over the life of the rate term must also certify that they are in compliance with the regulations governing lobbying activities. All carriers that plan to submit proposals involving subsidy should submit the required certifications along with their proposals. Interested carriers requiring more detailed information regarding these requirements as well as copies of the certifications should contact the Office of Aviation Analysis at (202) 366-1053. The Department is prohibited from paying subsidy to carriers that do not submit these documents.

### **Community and State Comments**

The community and State of Nebraska are welcome to submit comments on the proposals at any time.<sup>4</sup> Early in the proceeding, comments on the proposals' strengths and weaknesses would be particularly helpful, and the civic parties may also express a preference for a particular carrier, if they choose. In any event, after conducting rate conferences with all applicants, we will provide a summary of the conference results to the civic parties and ask them to file their final comments.<sup>5</sup>

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<sup>3</sup> The regulations applicable to each of these three areas are (1) 49 CFR Part 20—New Restrictions on Lobbying; (2) 49 CFR Part 21—Nondiscrimination in federally-assisted programs of the Department of Transportation—Effectuation of title VI of the Civil Rights Act of 1964; 49 CFR Part 27—Nondiscrimination on the basis of disability in programs and activities receiving or benefiting from Federal financial assistance; and 14 CFR Part 382—Nondiscrimination on the basis of disability in air travel; and (3) 49 CFR Part 29—Government-wide debarment and suspension (non-procurement) and government-wide requirements for drug-free workplace (grants).

<sup>4</sup> Civic parties should file an original and five copies of their comments in the appropriate docket(s). This filing should be addressed to:

Dockets Operations and Media Management, SVC-124  
Office of the Secretary  
U.S. Department of Transportation  
Room PL401  
400 Seventh Street, S.W.  
Washington, D.C. 20590

<sup>5</sup> In cases where a carrier proposes to provide essential air service without subsidy and we determine that service can be reliably provided without such compensation, we do not normally hold rate conferences. Instead, we rely on the carrier's subsidy-free service.

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

**ACCORDINGLY**

1. We request that carriers interested in providing essential air service at North Platte, Nebraska, submit their proposals, with or without requests for subsidy, within 20 days of the service date of this order. An original and five copies of the proposal should be sent to the EAS and Domestic Analysis Division, X-53; Office of Aviation Analysis, Room 6401; U.S. Department of Transportation; 400 Seventh Street, S.W.; Washington, D.C. 20590, with the title: "Proposal To Provide Essential Air Service at North Platte, Nebraska, Docket OST-1999-5173;<sup>6</sup>
2. Docket OST-1999-5173 will remain open until further Department order; and
3. We will serve a copy of this order on the Mayor of North Platte, the manager of the North Platte Regional Airport, the Nebraska Department of Aeronautics, Great Lakes Aviation, Ltd., and the carriers listed in Appendix C.

By:

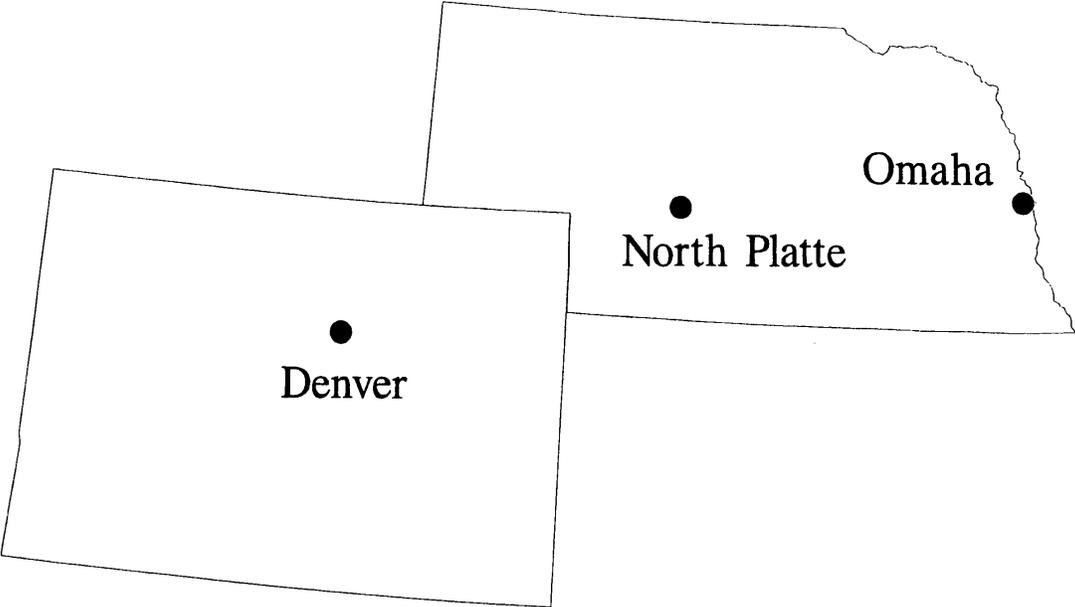
**READ C. VAN de WATER**  
Assistant Secretary for Aviation  
and International Affairs

(SEAL)

*An electronic version of this document is available on the World Wide Web at  
<http://dms.dot.gov/>*

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<sup>6</sup> After serving a copy of its proposal on the civic officials of North Platte, the State of Nebraska, and each of the other applicants, each applicant must then file a certification of service with the Department's Docket Operations and Media Management Division, SVC-124. Questions regarding filings in response to this order may be directed to Luther Dietrich at 202-366-1046.



Essential Air Service at North Platte, Nebraska  
Historical Origin-Destination Passenger Traffic (both directions)

Four quarters ended	Origin- destination passengers <sup>1</sup>	Average annual enplanements <sup>2</sup>	Average Enplanements per service day <sup>3</sup>
12/31/1985	21,872	10,936	34.9
12/31/1986	19,828	9,914	31.7
12/31/1987	17,530	8,765	28.0
12/31/1988	22,844	11,422	36.4
12/31/1989	24,255	12,278	39.2
12/31/1990	26,827	13,414	42.9
12/31/1991	29,464	14,732	47.1
12/31/1992	30,240	15,120	48.2
12/31/1993	31,894	15,947	50.9
12/31/1994	24,242	12,121	38.7
12/31/1995	20,174	10,087	32.2
12/31/1996	17,087	8,544	27.2
12/31/1997	20,635	10,318	33.0
12/31/1998	19,758	9,879	31.6
12/31/1999	15,959	7,980	25.5
12/31/2000	16,818	8,409	26.8
6/30/2001	15,934	7,967	25.5

<sup>1</sup> Source: U.S. Department of Transportation, Bureau of Transportation Statistics (BTS), Form 298-C, Schedule T-1, for traffic reported by Rocky Mountain Airways, Continental Express, GP Express Airlines, Mesa Airlines, and Great Lakes Aviation, except for BTS Form T-100 on-flight market origin-destination passengers reported by Mesa Airlines for the period of July 1, 1995, through June 30, 1997.

<sup>2</sup> Origin-destination passengers divided by two.

<sup>3</sup> Average annual enplanements divided by 313 effective annual service days, except for the four quarters ended 12/31/1988, 12/31/1992, 12/31/1996, and 12/31/2000 (314 effective annual service days)

Essential Air Service at North Platte, Nebraska  
Service List for the State of Nebraska

Air Casino, Inc.  
Air Midwest, Inc.  
Air Wisconsin, Inc.  
Amerijet International, Inc.  
Corporate Airlines, Inc.  
Delta Connection  
Dwyer Aircraft Sales, Inc.  
Falcon Aviation, Inc.  
Great Lakes Aviation, Ltd.  
Heartland Aviation, Inc.  
Mesa Airlines, Inc.  
Mesaba Aviation, Inc.  
Metroflight, Inc.  
Midway Airlines, Inc.  
Midwest Express Airlines,  
Inc.  
Multi Aero, Inc.  
Northwest Airlink  
Redwing Airways, Inc.  
Renown Aviation, Inc.  
Rocky Mountain Airways, Inc.  
Thunderbird Aviation, Inc.  
Trans States Airlines, Inc.  
Westward Airways, Inc.

Louis Andrews  
Ken Bannon  
Doug Franklin  
E.B. Freeman  
Douglas Gumula  
Ben Harrison  
A. Edward Jenner  
Bob Karns  
William Kostel  
Lee Mason  
John McFarlane  
Robert Wigmore