



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

Issued by the Department of Transportation
on the 9th day of April, 2020

Essential Air Service at

PRESQUE ISLE, MAINE

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

DOCKET DOT-OST-2000-8012

ORDER APPROVING ALTERNATE SERVICE PATTERN

Summary

By this Order, the United States Department of Transportation (the Department) is approving the request of United Airlines, Inc. (United) to change its Essential Air Service (EAS) pattern at Presque Isle, Maine, effective April 9, 2020. With this approval, United will provide Presque Isle with service to/from Washington-Dulles International Airport (IAD). There is no change to the annual subsidy, type of aircraft, number of weekly flights, or the contract end date of United's term at Presque Isle.

Background

By Order 2018-3-18, issued on March 20, 2018, the Department selected United to provide EAS at Presque Isle with 12 nonstop round trips per week to Newark Liberty International Airport (EWR) using 50-seat regional jet aircraft for the two-year contract term from July 1, 2018 through June 30, 2020, for an annual subsidy of \$4,780,955.

Airline Proposal

On April 4, 2020, John Kloosterman, Senior Manager – Regulatory Affairs at United stated to the Department via email that United “is planning to make significant, temporary schedule reductions at EWR due to the ongoing health crisis impacting the New York metropolitan region, and as part of these schedule changes we would like to move our [Presque Isle] service to [IAD.]” United has not sought any change to its annual subsidy, or any other alterations to the EAS it provides at Presque Isle. Thus the level of EAS service for Presque Isle that United proposes to/from IAD will remain the same as that provided through its current service to/from Newark.

Community Comments

The Department requested comments from the community of Presque Isle regarding this change. The Department received an e-mail from Mr. Scott Wardwell, Airport Director for Presque Isle International Airport, stating:

The City of Presque Isle and the Presque Isle International Airport concur with the proposed change of service for the Essential Air Service provider United Airlines. It is our belief a change of hub from Newark to Washington Dulles is in the best interest of the Community. We would encourage the USDOT to expedite the alternate service order so that United Airlines can meet their target effective date for the change of April 9th.

Decision

The Department will approve United's request, which meets the three conditions necessary for approval under authority assigned under 14 CFR Part 385.12(h)(3) of the Department's Regulations: (1) the alternate service pattern is equal or greater than that determined to be essential; (2) the communities affected do not object to the alternate service pattern; and (3) the alternate service pattern will not increase United's subsidy.

Because the Department is *allowing* the alternate service pattern and not *requiring* it, United may revert to the original service pattern at any time.

This Order is issued under authority delegated to the Director, Office of Aviation Analysis in 14 CFR Part 385.12(h)(3).

ACCORDINGLY,

1. The Department hereby approves the alternate service pattern requested by United Airlines, Inc. to provide Essential Air Service at Presque Isle, Maine with service to Washington-Dulles International Airport, effective April 9, 2020, through June 30, 2020;
2. This docket will remain open until further order of the Department; and
3. The Department will serve a copy of this Order on the airport director of Presque Isle International Airport, the city manager of Presque Isle, Maine, and United Airlines, Inc.

Persons entitled to petition the Department for review of this Order under the Department's Regulations, 14 CFR Part 385.31(a), must file such petitions within seven (7) days after the date of service of this Order.

This Order will be effective immediately, and the filing of a petition for review shall not preclude its effectiveness.

By:

TODD M. HOMAN
Director
Office of Aviation Analysis

(SEAL)

United Airlines, Inc.
Essential Air Service to be Provided at Presque Isle, Maine
DOT-OST-2000-8012

<u>Effective Period:</u>	April 9, 2020 through June 30, 2020
<u>Hub:</u>	Washington-Dulles International Airport (IAD)
<u>Scheduled Service:</u>	12 nonstop round trips per week
<u>Aircraft:</u>	50-passenger regional jet aircraft (CRJ-200 or ERJ-145)
<u>Annual Subsidy:</u>	\$4,780,955
<u>Rate per Eligible Flight:</u>	\$3,909 ¹
<u>Weekly Ceiling:</u>	\$93,816 ²

Note: The carrier understands that it may forfeit its compensation for any flights that it does not operate in conformance with the terms and stipulations of the rate Order, including the service plans outlined in the Order and any other significant elements of the required service, without prior approval. The carrier understands that an aircraft take-off and landing at its scheduled destination constitutes a completed flight; absent an explanation supporting subsidy eligibility for a flight that has not been completed, such as certain weather cancellations, only completed flights are considered eligible for subsidy. In addition, if the carrier does not schedule or operate its flights in full conformance with the Order for a significant period, it may jeopardize its entire subsidy claim for the period in question. If the carrier contemplates any such changes beyond the scope of the Order during the applicable period of this rate, it must first notify the Office of Aviation Analysis in writing and receive written approval from the Department to be ensured of full compensation. Should circumstances warrant, the Department may locate and select a replacement carrier to provide service on these routes. The carrier must complete all flights that can be safely operated; flights that overfly points for lack of traffic will not be compensated. In determining whether subsidy payment for a deviating flight should be adjusted or disallowed, the Department will consider the extent to which the goals of the program are met and the extent of access to the national air transportation system provided to the community.

If the Department unilaterally, either partially or completely, terminates or reduces payments for service or changes service requirements at a specific location provided for under this Order, then, at the end of the period for which the department does make payments in the stipulated service levels, the carrier may cease to provide service to that specific location without regards to any requirement for notice of such cessation. Those adjustments in the levels of subsidy and/or service that are mutually agreed to in writing by the Department and carrier do not constitute a total or partial reduction or cessation of payment.

Subsidy contract are subject to, and incorporate by reference, relevant statutes and Department regulations, as they may be amended from time to time. However, any such statutes, regulations, or amendments thereto shall not operate to controvert the foregoing paragraph.

Funds may not be available for performance under this Order beyond September 30, 2020. The Government's obligation for performance under this Order beyond September 30, 2020, is subject to the availability of funds from which payment for services can be made. No legal liability on the part of the Government for any payment may arise for performance under this order beyond September 30, 2020, until funds are made available to the Department for performance. If sufficient funds are not made available for performance beyond September 30, 2020, the Department will provide notice in writing to the carrier.

All claims for payment, including any amended claims, must be submitted within 90 days of the last day of the month for which compensation is being claimed. For example, claims for service provided in July must be filed by October 31; August claims must be submitted by November 30, and so on.

¹ Annual compensation of \$4,780,955 divided by 1,223 annual departures (24 weekly departures x 52 weeks x 98 percent completion).

² 24 arrivals and departures per week multiplied by \$3,909 per flight.