



July 8, 2020

Michael Martin
United States Department of Transportation
Office of Aviation Analysis
1200 New Jersey Ave SE
Washington, DC 20590

SkyWest Airlines' Essential Air Service Proposal for Johnstown, Pennsylvania

Dear Mr. Martin:

Attached is SkyWest Airlines' proposal to provide air service from Johnstown, PA, to Chicago O'Hare (ORD) and/or Washington Dulles International (IAD). SkyWest welcomes the opportunity to provide air service to the Johnstown community. Our combination of safe and reliable aircraft, well-timed schedules, and access to one of the world's largest airline networks will provide passengers with quality air service and stimulate economic growth in the region.

As directed by the RFP, we will offer the community 12 round-trip flights per week for a three year term to ORD/IAD. All flights are guaranteed to operate on twinjet aircraft with no single engine substitutions. All flights will depart and arrive to facilitate seamless connections to United's large and diverse flight schedule in both ORD and IAD which will make the service convenient for both business and leisure travelers. With more than 600 United or United Express departures per day at ORD to over 160 unique destinations and more than 250 departures per day at IAD to nearly 100 destinations, our proposal makes it easy to get to destinations across the country and around the world. All flights are subject to gate availability and don't have up line scheduling restrictions.

SkyWest believes this proposal provides the best overall option for air service in Johnstown, with excellent connectivity to the national transportation system.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "Greg Atkin", written in a cursive style.

Greg Atkin
Managing Director – Market Development
SkyWest Airlines

About SkyWest Airlines

With over 13,000 aviation professionals operating nearly 2,400 daily flights, SkyWest Airlines connects millions of passengers each month to 258 destinations across North America. SkyWest operates in partnership with Alaska Airlines, American Airlines, Delta Air Lines, and United Airlines and has a fleet of 484 aircraft. SkyWest has been connecting small communities to the national transportation system for its entire 47 year history.

Headquartered in St. George, Utah, SkyWest's industry-leading workforce and excellent leadership team have consistently generated top tier operational reliability, setting the standard for excellence in the regional airline industry.



- Fortune World's Most Admired Companies 2019
- ATW *Regional Airline of the Year* three times
- Bombardier's top reliability award for the CRJ200 six times
- The FAA's AMT Employer Gold Award for

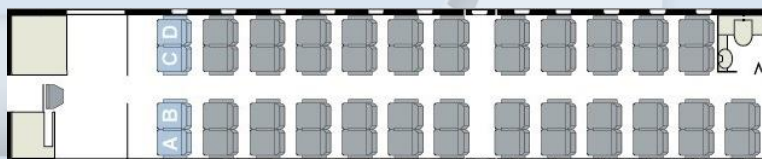


Critical Attributes of SkyWest's Proposal



50 Seat Twinjet Service

The CRJ-200 is a quiet and modern twinjet that is both safe and fast. All SkyWest CRJ200 aircraft are serviced by a highly-trained flight attendant and each plane features a restroom, further adding to the comfort and convenience of each passenger's flying experience. SkyWest operates 150 CRJ-200 aircraft and plans to keep this aircraft in its fleet for many years to come.



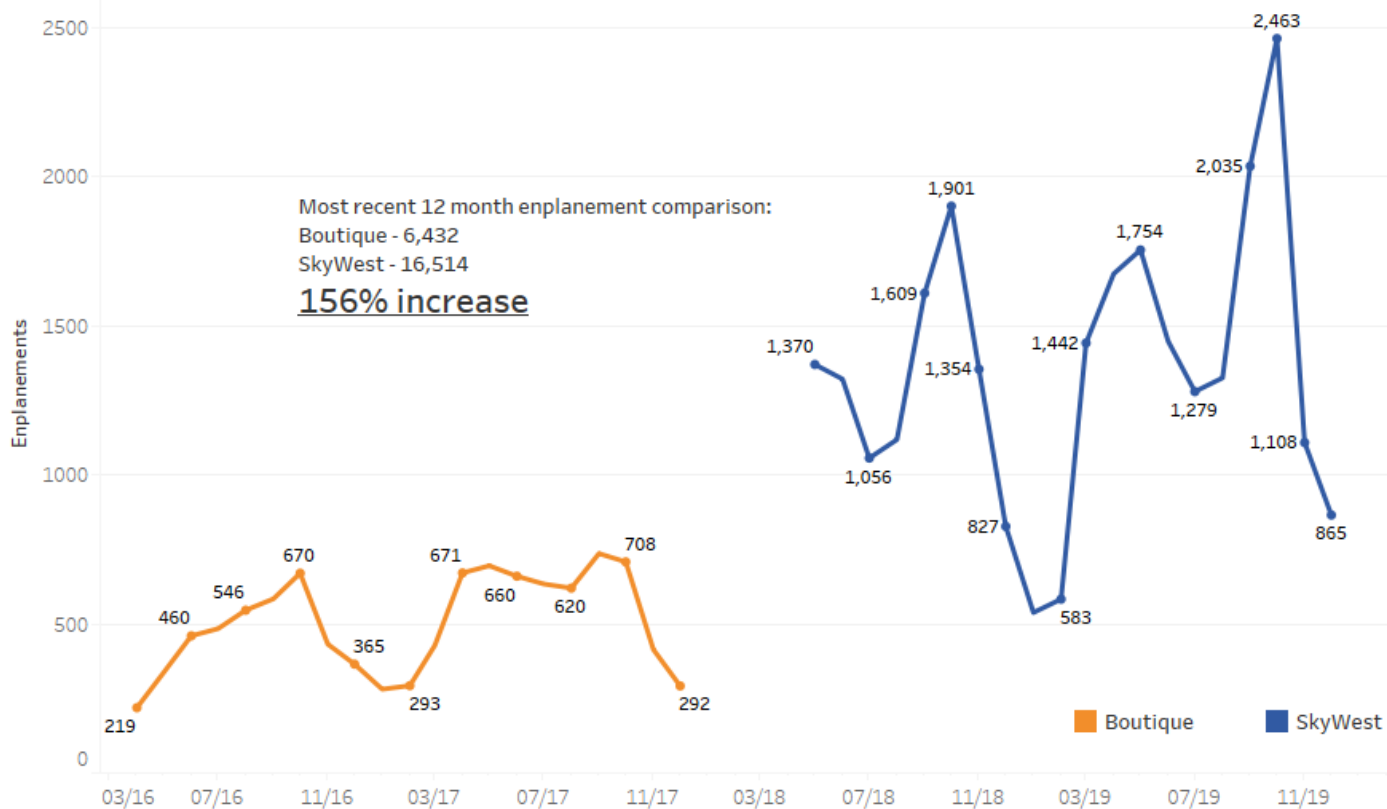
Superior Traffic Generation

SkyWest 50 seat jets provide the best opportunity for passenger growth. SkyWest service provides significantly higher seat capacity than 8/9 seat carriers and delivers industry leading reliability. Passengers also benefit greatly from seamless connectivity to one the largest global airlines in the world.

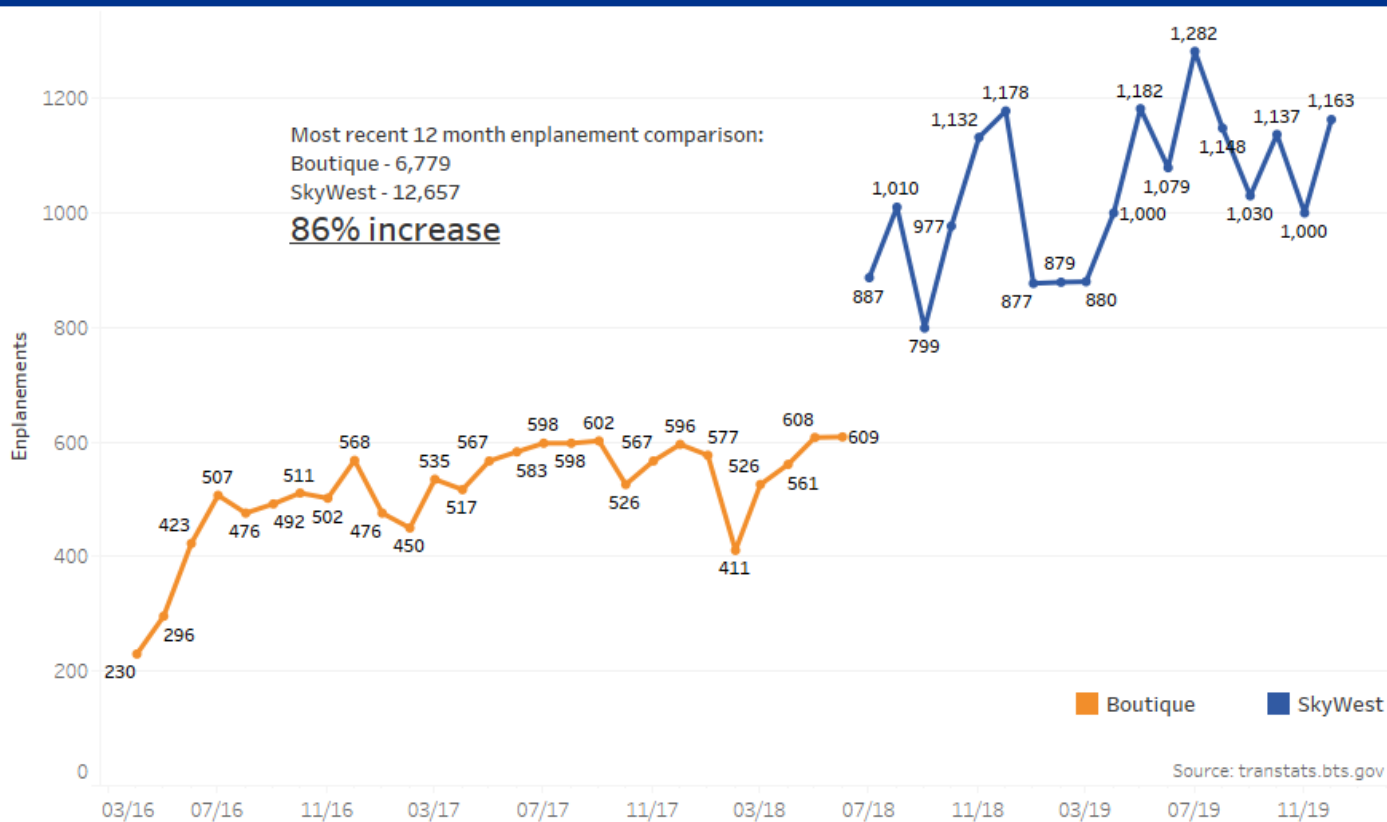


Growth when SkyWest Replaces Boutique

Historical Passenger Enplanements Boutique Air vs. SkyWest - Moab, UT



Historical Passenger Enplanements Boutique Air vs. SkyWest - Vernal, UT



Critical Attributes of SkyWest's Proposal



Superior Network and Connectivity

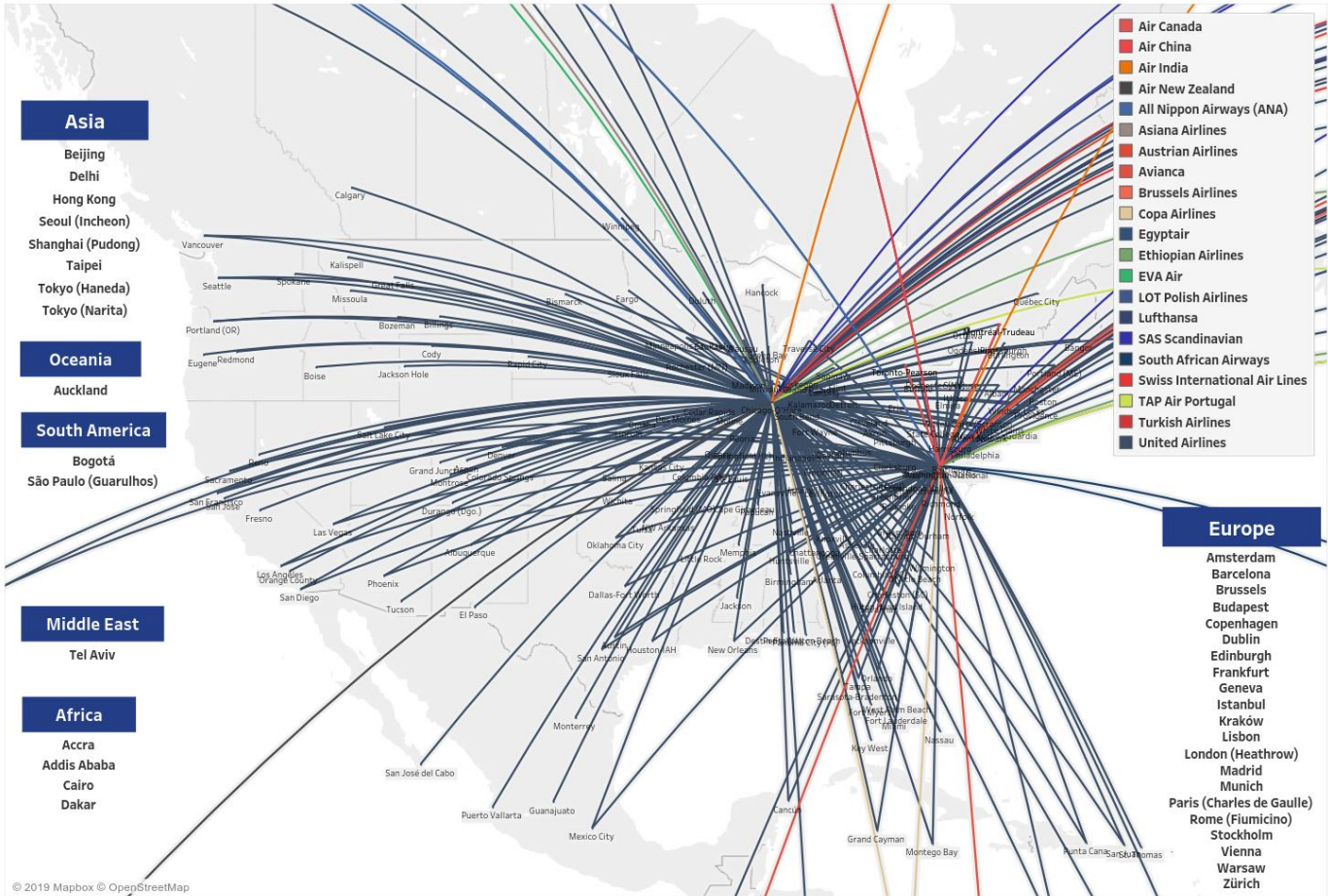
This service will be marketed as United Express and will feature seamless bookings, connections, and baggage transfers that will access United Airlines’ vast global network. This includes over 5,100 daily flights to more than 330 airports. United is also the largest member of the Star Alliance network, which allows travelers to connect to more than 22,000 daily flights to nearly all parts of the globe. This full codeshare and connectivity makes it simple for passengers to plan their travel and to effortlessly fly to their destination.



Superior Airports and Terminals

ORD/IAD are key hubs for United Airlines. Flights will arrive and depart from United’s main terminal. This means passengers will not have to re-clear security or hop on a bus to make a connection.

Route Map



Critical Attributes of SkyWest's Proposal



Superior Reliability

SkyWest has been named the most reliable CRJ-200 operator in North America five times since 2007. We have also been named the #1 On Time carrier for contiguous 48 states several times.



Subsidy Cap Compliant

All applicable SkyWest EAS communities are comfortably compliant with the DOT's passenger subsidy cap. SkyWest's proposal in Johnstown is also well within compliance of the subsidy cap. This proposal will provide measurable assurance in complying with DOT regulations, ensuring that Johnstown is well positioned for future air service.



Marketing Plan

SkyWest will actively market the service with a variety of promotions. We will dedicate \$20,000 per year for marketing support. We advertise in print, digital, radio, online, and other means necessary. This effort will assist in generating awareness of the flight options offered.



SkyWest Airlines Essential Air Service Bid 7/8/2020	
	JST IAD/ORD
Number of Round Trips Per Week	12
Aircraft Type	CRJ
Passenger Revenue	
Passengers	26,201
Average Fare	\$ 89.00
Revenue	\$ 2,373,192
Block Time	
Trip Block Time (minutes)	78
Total Scheduled Block Time	1,615
Total Completed Block Time	1,516
RPMS	
Passengers	26,201
Stage Length	273
Total RPMs	7,549,717
ASMs	
Scheduled Departures	1,248
Completed Departures	1,210
Stage Length	273
Available Seats	50
Total ASMs	16,511,295
Expenses	
Marketing Costs	\$ 20,000
Direct Operating Expenses	\$ 4,132,301
RPM Related	\$ 107,403
Departure Related	\$ 1,164,708
ASM Related	\$ 153,885
Total Expenses	\$ 5,578,297
Operating Income (loss)	\$ (3,205,105)
5% Profit Margin	\$ 278,915
Annual Subsidy Requirement	\$ 3,484,020
Effective Subsidy Rate Per Unit	
Subsidy Per Trip	\$ 2,879
Subsidy Per Passenger	\$ 133
Load Factor	46%