



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

Issued by the Department of Transportation
on the 23rd day of September, 2021

Essential Air Service at

CLARKSBURG/FAIRMONT, WEST VIRGINIA
(FAIN 69A3452260433)¹

DOT-OST-2005-20736

under 49 U.S.C. § 41731 *et seq.*

ORDER SELECTING AIR CARRIER

Summary

By this Order, the U.S. Department of Transportation (the Department) selects SkyWest Airlines, Inc. operating as United Express (SkyWest) to provide Essential Air Service (EAS) at Clarksburg/Fairmont, West Virginia (Clarksburg) for the three-year period from November 1, 2021, through October 31, 2024. SkyWest will provide Clarksburg with 12 round trips per week to Chicago O'Hare International Airport (ORD) and Washington Dulles International Airport (IAD), using 50-seat Canadair Regional Jet 200 aircraft, at an annual subsidy rate of \$2,998,996.²

Background

By Order 2019-10-3 (October 2, 2019), the Department re-selected SkyWest to provide EAS at Clarksburg from November 1, 2019, through October 31, 2021. Under the terms of that Order, SkyWest has provided the community with 12 total nonstop round trips per week to a combination of ORD and IAD, using 50-seat Canadair Regional Jet 200 aircraft, at an annual subsidy rate of \$2,799,356.

In anticipation of the end of that rate term, the Department issued Order 2021-3-15 (March 9, 2021), soliciting proposals for a new term, with or without subsidy. In response to the Department's solicitation, SkyWest submitted the only proposal for consideration.

¹ FAIN = Federal Award Identification Number.

² Such subsidy is calculated and distributed on a fiscal year basis, subject to the availability of funds.

Summary of Air Carrier Proposal

SkyWest submitted a proposal to provide EAS at Clarksburg. SkyWest would operate as United Express for a three-year period, and provide Clarksburg with 12 round trips per week to IAD and ORD, using 50-seat Canadair Regional Jet 200 aircraft, at an annual subsidy rate of \$2,998,996. The carrier proposed \$20,000 to spend on marketing its service.

SkyWest's proposal, as well as the complete public file for EAS at Clarksburg, may be accessed online through the Federal Docket Management System at: www.regulations.gov by entering "DOT-OST-2005-20736" in the search field.

Community Comments

On April 14, 2021, the Department solicited comments from the community regarding this air carrier selection case and did not receive any response.

Decision

Title 49 U.S.C. § 41733(c)(1) directs the Department to consider five factors when making an air carrier selection for a community not in Alaska, where basic EAS will not be provided without compensation:³ (A) service reliability of the applicant air carrier; (B) the existence of contractual and marketing arrangements with a larger air carrier at the hub; (C) the existence of interline arrangements with a larger air carrier at the hub; (D) the preferences of the actual and potential users of the EAS, giving substantial weight to the views of the elected officials representing those users; and (E) whether the air carrier has included a plan in its proposal to market the EAS. In addition, Section 41732(b)(1)(A) requires basic EAS to include at least two daily round trips six days a week for an eligible place not in Alaska. Finally, the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (December 27, 2020) authorizes the Department to consider the relative subsidy requirements of the applicant air carriers.

SkyWest's proposal meets the air carrier selection criteria the Department is required to consider, and the Department finds its service and subsidy levels reasonable. SkyWest was the only air carrier to submit a proposal and has been providing reliable EAS, operating as United Express, at Clarksburg since 2017. SkyWest has a codeshare and interline agreement with United Airlines, Inc., and its proposal allows passengers to access the national air transportation system utilizing United's hubs at ORD and IAD. Additionally, SkyWest included a \$20,000 marketing plan in its proposal. Therefore, the Department is selecting SkyWest for a new, three-year term.

Reminder About EAS Eligibility

To remain eligible for EAS, communities must comply with all applicable EAS eligibility requirements. The Department notes that many of the traditional eligibility requirements, including those below, were waived for Fiscal Years 2020 and 2021 by the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (December 27, 2020). But, unless waived by Congress for future fiscal years, compliance with these eligibility requirements will resume at the beginning of Fiscal Year 2022.

³ The Department did not receive any proposals to provide EAS at Clarksburg without subsidy.

Title 49 U.S.C. § 41731(a)(1)(B) provides that a community must maintain an average of 10 enplanements per service day, as determined by the Secretary of Transportation, during the most recent fiscal year, to remain eligible for EAS. Locations in Alaska and Hawaii, and communities that are more than 175 driving miles from the nearest large or medium hub airport, are exempt from this requirement. Clarksburg is subject to this requirement, because it is not more than 175 miles from the nearest large or medium hub airport.

Further, the Department of Transportation and Related Agencies Appropriations Act, 2000, Pub. L. No. 106-69 (October 9, 1999), prohibits the Department from subsidizing EAS to communities located within the 48 contiguous states that require a subsidy per passenger amount exceeding \$200 (“Subsidy Cap”), unless the community is located more than 210 miles from the nearest large- or medium-hub airport. Clarksburg is subject to this requirement, because it is not more than 210 miles from the nearest large or medium hub airport. EAS communities, except for those in Alaska and Hawaii, are also subject to an additional \$1,000 subsidy per passenger cap, regardless of the distance to a hub airport.⁴

The Department expects SkyWest and Clarksburg to work together to ensure that the community will comply with the applicable requirements. Communities that fail to comply with the applicable above eligibility requirements may risk having their eligibility in the EAS program terminated. In the event the Department terminates a community’s eligibility for EAS due to lack of compliance, that action will supersede this Order

Air Carrier Fitness

Title 49 U.S.C. §§ 41737(b) and 41738 require that the Department find an air carrier fit, willing, and able to provide reliable service before the Department may subsidize it to provide EAS. SkyWest is subject to the Department’s continuing fitness requirements, and no information has come to the Department’s attention that would bring into question the air carrier’s fitness at this time. The Department has contacted the Federal Aviation Administration, and it has raised no concerns that would negatively affect the Department’s fitness findings. The Department therefore concludes that SkyWest is reliable and fit to conduct the operations proposed at Clarksburg.

This Order is issued under authority delegated by the Secretary of Transportation in 49 CFR § 1.25a(b)(6)(ii)(D).

ACCORDINGLY,

1. The Department selects SkyWest Airlines, Inc. to provide Essential Air Service at Clarksburg/Fairmont, West Virginia, from November 1, 2021, through October 31, 2024, and establishes the annual subsidy rate described in Appendix B;
2. The Department makes this selection contingent upon receiving properly-executed certifications from SkyWest Airlines, Inc. that it is in compliance with the Department’s

⁴ 49 U.S.C. § 41731(a)(1)(C).

regulations regarding drug-free workplaces and nondiscrimination, as well as the regulations concerning lobbying activities;⁵

3. The Department directs SkyWest Airlines, Inc. to retain all books, records, and other source and summary documentation to support claims for payment, including copies of flight logs for aircraft used to provide EAS under this Order and sold or disposed of, and to preserve and maintain such documentation in a manner that readily permits its audit and examination by representatives of the Department. This documentation shall be retained for three years from the last day of service under this Order, or such longer period as the Department may notify the air carrier. If any litigation, claim, or audit is started before the expiration of the three-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. The air carrier may forfeit its compensation for any claim that is not supported under the terms of this Order;
4. The Department finds that SkyWest Airlines, Inc. is fit, willing, and able to operate as a certificated air carrier, and capable of providing reliable Essential Air Service at Clarksburg/Fairmont, West Virginia;
5. This docket will remain open pending further Department action; and
6. The Department will serve this Order on the mayors of Clarksburg and Fairmont, West Virginia, the Airport Director at North Central West Virginia Airport, and SkyWest Airlines, Inc.

By:

Joel Szabat
Deputy Assistant Secretary
for Aviation and International Affairs

(SEAL)

An electronic version of this document is available at
<http://www.regulations.gov>

⁵ The certifications are available online under “Reports and Publications” at: <http://www.transportation.gov/office-policy/aviation-policy/essential-air-service-reports>.

SkyWest Airlines	
Essential Air Service Bid	
04/12/2021	
	CKB IAD/ORD
Number of Round Trips Per Week	12
Aircraft Type	CRJ
Passenger Revenue	
Passengers	31,000
Average Fare	\$ 90.00
Revenue	\$ 2,800,000
Block Time	
Trip Block Time (minutes)	78
Total Scheduled Block Time	1,629
Total Completed Block Time	1,529
RPMS	
Passengers	31,000
Stage Length	273
Total RPMS	8,490,000
ASMs	
Scheduled Departures	1,248
Completed Departures	1,210
Stage Length	273
Available Seats	50
Total ASMs	16,463,164
Expenses	
Marketing Costs	\$ 20,000
Direct Operating Expenses	\$ 4,057,631
RPM Related	\$ 127,078
Departure Related	\$ 1,164,708
ASM Related	\$ 153,437
Total Expenses	\$ 5,522,853
Operating Income (loss)	\$ (2,722,853)
5% Profit Margin	\$ 276,143
Annual Subsidy Requirement	\$ 2,998,996
Effective Subsidy Rate Per Unit	
Subsidy Per Trip	\$ 2,479
Subsidy Per Passenger	\$ 97
Load Factor	52%

SkyWest Airlines, Inc.
Essential Air Service to be Provided at Clarksburg/Fairmont, West Virginia
Docket DOT 2005-20736

Effective Period: November 1, 2021, through October 31, 2024

Scheduled Service: 12 weekly round trips to Chicago O'Hare International Airport (ORD) and Washington Dulles International Airport (IAD)

Aircraft: 50-seat CRJ-200

Rate per Eligible Flight: \$2,479¹

Weekly Ceiling: \$59,496²

Note:

The air 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 air 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 air 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 air 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 air carrier to provide service on these routes. The air 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 amounts, the air carrier may cease to provide service to that specific location without regard 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 air carrier do not constitute a total or partial reduction or cessation of payment.

Subsidy contracts 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, 2021. The Government's obligation for performance under this Order beyond September 30, 2021, 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, 2021, until funds are made available to the Department for performance. If sufficient funds are not made available for performance beyond September 30, 2021, the Department will provide notice in writing to the air 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 \$2,998,996 divided by 1,210 annual departures (24 weekly departures x 52 weeks x 97 percent completion).

2 Twenty-four (24) flights per week multiplied by \$2,479 per flight.