



April 1, 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 Alpena, MI

Dear Mr. Martin:

Attached is SkyWest Airlines' proposal to provide direct air service from Alpena, Michigan to the Detroit Metropolitan Wayne County Airport (DTW).

SkyWest welcomes the opportunity to continue service to the Alpena community under the Essential Air Service program. Our combination of safe and reliable aircraft, well-timed schedules, and access to one of the world's largest airline networks will continue to provide passengers with quality air service and further stimulate economic growth in the region.

As directed by the RFP, we will offer 12 round-trip flights per week for a two year term. Flights will depart and arrive to facilitate seamless connections to Delta Air Lines' large and diverse network. With more than 460 Delta branded departures per day, to over 120 unique destinations from the Detroit Metro Airport, our proposal makes it easy to get to destinations throughout 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 Alpena, MI.

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.

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.



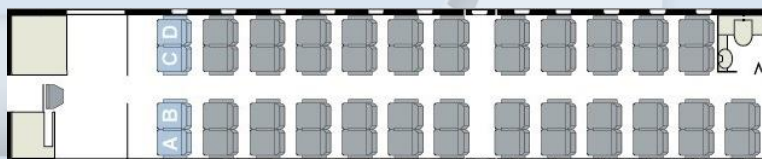
- Fortune World's Most Admired Companies 2019
- *ATW Regional Airline of the Year* three times
- Bombardier's top reliability award for the CRJ200 six times
- The FAA's AMT Employer Gold Award for Excellence multiple times





50 Seat Twinjet Service

The CRJ-200 is a quiet and modern twinjet that is both safe and reliable. All SkyWest CRJ-200 aircraft are serviced by a highly-trained flight attendant and each plane includes a restroom, further adding to the comfort and convenience of each passengers' flying experience. SkyWest Airlines operates over 190 CRJ-200 aircraft and plans to operate this aircraft for many years to come.



Superior Traffic Generation

SkyWest 50 seat jets provide the best opportunity for passenger growth in Essential Air Service Communities. CRJ-200 service provides higher seat capacity than most regional operators while delivering industry leading performance and reliability.



This service will be marketed as Delta Connection and will feature seamless bookings, connections, and baggage transfers that will access Delta Air Lines' vast global network. This includes over 15,000 daily flights to more than 304 airports. Delta is also the largest and founding member of the SkyTeam network, which allows travelers to connect to more than 661 destinations in 127 countries worldwide.



Detroit Metro is the second largest hub in the Delta Air Lines system, where passengers can conveniently connect to Delta's vast global network. More than 24 million passengers were carried in or out of DTW in 2018.

Route Map

Asia

- Beijing
- Seoul (Incheon)
- Shanghai (Pudong)
- Tokyo (Narita)

Aeroméxico

Delta Air Lines

Air France

Europe

- Amsterdam
- Frankfurt
- London (Heathrow)
- Munich
- Paris (Charles de Gaulle)
- Rome (Fiumicino)

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Superior Reliability

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



Subsidy Cap Compliant

All applicable SkyWest EAS communities are comfortably compliant with the DOT's passenger subsidy cap. In Alpena, our proposal is also well within compliance of the subsidy cap. The SkyWest proposal will provide measurable assurance in complying with DOT regulations and ensure that Decatur is well positioned for continued 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
4/1/2020

	APN
	DTW
Number of round trips per week	12
Aircraft type	CRJ
Passenger Revenue	
Passengers	17,000
Average fare	\$ 80.00
Revenue	\$ 1,360,000
Block Time	
Trip block time (minutes)	68
Total scheduled block time	1,414
Total completed block time	1,328
RPMS	
Passengers	17,000
Stage length	198
Total RPMs	3,366,000
ASMs	
Scheduled departures	1,248
Competed departures	1,235
Stage length	198
Available Seats	50
Total ASMs	12,221,764
Marketing Costs	\$ 20,000
Direct operating expenses	\$ 3,482,539
RPM related	\$ 69,688
Departure related	\$ 1,222,943
ASM related	\$ 113,907
Total expenses	\$ 4,909,077
Operating income (loss)	\$ (3,549,077)
5% profit margin	\$ 230,423
Annual subsidy requirement	\$ 3,779,500
Effective Subsidy rate per unit	
Subsidy per trip	\$ 3,062
Subsidy per passenger	\$ 222
Load factor	28%