

OST-99-6592-22

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Correspondence

**Hyannis Air Service, Inc. dba Cape Air
Subsidy Calculation for San Juan, PR to Ponce, PR
14.5 Months - 5 Daily Round Trips (10/1/01 through 12/14/02)**

DEPT. OF TRANSPORTATION
DOCUMENTS
02 APR - 1 PM 4:20

		Notes
Completed Departures (OW)	4,366	
Block Hours per Flight	0.46	99% Schedule
Total Block Hours	2,009	
Average Seats per Departure	0	
Mileage (OW)	47	
Passengers/Trip	2	
Total Passengers	10,217	
RPM's	480,207	
ASM's	1,846,950	
Load Factor	26%	
Average Fare (OW)	\$68	
REVENUES:		
Passenger Revenues	\$766,288	
Cargo/Other	\$6,000	
Total Revenue	\$772,288	
DIRECT EXPENSES:		
Crew	\$120,510	\$60 per Hr
Fuel	\$188,799	\$2.35 per Gal @ 40 GPH
Maintenance	\$150,638	\$75 per Hr
Hull Insurance	\$10,150	
Lease	\$65,250	
Total Direct Expenses	\$535,347	
INDIRECT EXPENSES:		
Station Costs at SJU	\$171,332	6FTE @\$8 + 30%, \$12,000 Rents Yr. (25% OH)
Station Costs at Ponce, PR	\$178,582	6FTE @\$8 + 30%, \$18,000 Rents Yr.
Landing Fees at SJU	\$26,198	\$12 per Landing
Landing Fees at Ponce, PR	\$26,198	\$12 per Landing
Commissions	\$77,229	10% of Revenues
Additional Security Expense	\$35,760	\$3.50 per pax
Reservations and Ticketing	\$40,869	\$4 per pax
Additional War Insurance	\$15,326	\$1.50 per pax
Liability Insurance	\$30,450	
Advertising & Marketing	\$30,652	\$3 per pax
General & Admin./Other	\$112,389	\$11 per pax
Total Indirect Expense	\$744,983	
Total Operating Expense	\$1,280,331	
RETURN:	\$64,017	5% of Expenses
Total Economic Costs	\$1,344,347	
COMPENSATION NEEDED	\$572,060	(10/1/01 through 12/14/02)
Subsidy per Passenger	\$56	
Subsidy per Arrival/Departure	\$131	