

1999 HOUSE TRANSPORTATION

HCR 3080

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 3080

House Transportation Committee

Conference Committee

Hearing Date February 26, 1999

Tape Number	Side A	Side B	Meter #
1	x		8.0-30.0
1	x		34.5-40.1
Committee Clerk Signature <i>Laura</i>			

Minutes:

VICE CHAIRMAN MICKELSON OPENED THE HEARING ON HCR 3080; A RESOLUTION DIRECTING THE LEGISLATIVE COUNCIL TO STUDY THE PROVISION OF AIR SERVICE IN THIS STATE.

REPRESENTATIVE ANDREW MARAGOS, Dist. 3, introduced HCR 3080. He said that he is interested in raising alarm to the problems faced with regards to air service in North Dakota. He referred to an article in the "Des Moines Register," (2-8-99), that noted Iowa's success with attempting to improve air service. He said it is worthy of study and is a good idea overall.

MARK HOLZER, ND Aeronautics Commission, testified in support of HCR 3080. (See written testimony).

REP. SVEEN asked when deregulation of the airlines occurred/

MARK said in 1978.

Page 2

House Transportation Committee

Bill/Resolution Number Hcr 3080

Hearing Date February 26, 1999

REP. SVEEN further asked if deregulation didn't help in North Dakota.

MARK said no, it only helped in airfares to a point.

REP. KELSCH mentioned that leaving from Minneapolis is so much cheaper than out of North Dakota, but that it isn't feasible to drive from Bismarck to catch a plane out of Minneapolis.

What can North Dakota do as a state to alleviate this.

MARK said that hopefully FLY NORTH DAKOTA will pan out to what they want. Currently there are special rates from Minot and Bismarck to Minneapolis and they are looking to extend that to Fargo and Grand Forks.

REP. KEMPENICH asked how legislation would fit in to this resolution?

MARK said that in determining the local and federal share they would be necessary.

REP. SVEEN asked if Northwest Airlines makes money off of North Dakota or would rather not fly out of the state.

MARK said that they do make money and that the airline prefers to fly into the hub and out from there.

VICE CHAIRMAN MICKELSON CLOSED THE HEARING ON HCR 3080.

GENERAL DISCUSSION TOOK PLACE. REPS. KEMPENICH, KELSCH, AND BELTER PARTICIPATED.

COMMITTEE ACTION

REP. KEMPENICH moved a DO PASS on HCR 3080. REP. KELSCH seconded the motion.

The motion carried.

ROLL CALL - 10 YEA, 1 NAE, 4 ABSENT AND NOT VOTING.

FLOOR ASSIGNMENT - REP. JENSEN

Date: 2/26
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 3080

House Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS

Motion Made By Rep Kempenich Seconded By Rep Kelsch

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair			Representative Thorpe	<input checked="" type="checkbox"/>	
Representative Mickelson, V. Ch.	<input checked="" type="checkbox"/>				
Representative Belter		<input checked="" type="checkbox"/>			
Representative Jensen	<input checked="" type="checkbox"/>				
Representative Kelsch	<input checked="" type="checkbox"/>				
Representative Kempenich	<input checked="" type="checkbox"/>				
Representative Price	<input checked="" type="checkbox"/>				
Representative Sveen	<input checked="" type="checkbox"/>				
Representative Weisz	<input checked="" type="checkbox"/>				
Representative Grumbo					
Representative Lemieux					
Representative Mahoney	<input checked="" type="checkbox"/>				
Representative Meyer					
Representative Schmidt	<input checked="" type="checkbox"/>				

Total (Yes) 10 No 1

Absent 4

Floor Assignment Rep Jensen

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 26, 1999 9:56 a.m.

Module No: HR-35-3642
Carrier: Jensen
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HCR 3080: Transportation Committee (Rep. Keiser, Chairman) recommends DO PASS
(10 YEAS, 1 NAY, 4 ABSENT AND NOT VOTING). HCR 3080 was placed on the
Eleventh order on the calendar.

1999 SENATE TRANSPORTATION

HCR 3080

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3080

Senate Transportation Committee

Conference Committee

Hearing Date March 11, 1999

Tape Number	Side A	Side B	Meter #
1		x	4,382-End
2	x		1-600
2	x		5,165-5486
Committee Clerk Signature <i>Doni D. Schaeffer</i>			

Minutes:

SENATOR B. STENEHJEM opened the hearing on HCR 3080. Committee members present included: Sens. Bob Stenehjem, R. Schobinger, D. Mutch, D. Cook, D. O'Connell, V. Thompson, and D. Bercier.

REPRESENTATIVE ANDREW MARAGOS, DISTRICT 3 testified in support of HCR 3080.

This arose out of my attempt to address only one airline serving the state. Eric Claussen asked that we might expand this to rail service also. I think this is an appropriate time to do a study.

We need to study what options if any that may help those airlines stay in North Dakota.

SENATOR B. STENEHJEM Are you suggesting an amendment?

REPRESENTATIVE ANDREW MARAGOS I am. I will provide that.

MARK HOLZER, ND AERONAUTICS COMMISSION testified in favor of HCR 3080. (See handout of statistics).

SENATOR THOMPSON There were 1,000,000 passengers in 1997 using the airports. Were they all buying tickets or is it private ones also?

MARK HOLZER The million passengers are the amount of people that get off an airplane and get on. There are about a half a million that come on and go off. This is only the commercial airline.

SENATOR B. STENEHJEM Do we receive anything from those passengers who may buy a ticket from Minneapolis and stop at the Bismarck airport?

MARK HOLZER FAA and the Department of Transportation has a passenger facility tax. They get \$3.00 a head on which airport they get on the airplane. In North Dakota, we have four airports that have a passenger facility charge.

SENATOR THOMPSON How many tickets do we sell in North Dakota?

MARK HOLZER We have the figures for every airport by month.

SENATOR B. STENEHJEM We will close the hearing on HCR 3080.

REPRESENTATIVE MARAGOS proposed amendment 93144.0101.

SENATOR SCHOBINGER moved for the amendment.

SENATOR BERCIER seconded the motion.

The amendment 93144.0101 was voted on by a voice vote. The amendment passed unanimously.

SENATOR BERCIER I move a Do Pass as Amended and placed on the consent calendar.

SENATOR SCHOBINGER I second.

The roll call vote was taken. (7 Yeas, 0 Nays, and 0 Absent and Not Voting).

Senator Schobinger will carry HCR 3080.

PROPOSED AMENDMENTS TO HOUSE CONCURRENT RESOLUTION NO. 3080

Page 1, line 1, after "service" insert "and Amtrak service"

Page 1, after line 4, insert:

"**WHEREAS**, a passenger railway service provides a scenic view of this state to tourists and a schedule that provides for a stop in this state for a few days would aid tourism; and"

Page 1, line 11, after "service" insert "and Amtrak service"

Renumber accordingly

Date: 3-11-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HR 3080

Senate Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number 93144.0101

Action Taken As Pass as Amended - Placed on Consent Calendar

Motion Made By Sen. Bercier Seconded By Sen. Schobinger

Senators	Yes	No	Senators	Yes	No
Sen. B. Stenehjem-Chairman	X				
Sen. R. Schobinger-V. Chair	X				
Sen. Duane Mutch	X				
Sen. Dwight Cook	X				
Sen. David O'Connell	X				
Sen. Vern Thompson	X				
Sen. Dennis Bercier	X				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Schobinger

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HCR 3080: Transportation Committee (Sen. B. Stenehjem, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3080 was placed on the Sixth order on the calendar.

Page 1, line 1, after "service" insert "and Amtrak service"

Page 1, after line 4, insert:

"WHEREAS, a passenger railway service provides a scenic view of this state to tourists and a schedule that provides for a stop in this state for a few days would aid tourism; and"

Page 1, line 11, after "service" insert "and Amtrak service"

Renumber accordingly

1999 TESTIMONY

HCR 3080

HOUSE CONCURRENT RESOLUTION NO. 3080

Introduced by

Representative Maragos

1 A concurrent resolution directing the Legislative Council to study the provision of air service in
2 this state.

3 **WHEREAS**, travel is required in today's business world to reach the major financial and
4 business centers in this country; and

5 **WHEREAS**, this state has limited air service and is dependent upon a few airlines for air
6 service; and

7 **WHEREAS**, air service was disrupted in 1998 by a strike by employees of the major
8 airline that serves all of the major cities in this state;

9 **NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES**
10 **OF NORTH DAKOTA, THE SENATE CONCURRING THEREIN:**

11 That the Legislative Council study the provision of air service in this state; and

12 **BE IT FURTHER RESOLVED**, that the Legislative Council report its findings and
13 recommendations, together with any legislation required to implement the recommendations, to
14 the Fifty-seventh Legislative Assembly.



Aeronautics Commission
STATE OF NORTH DAKOTA

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Effective January 1999

Contact your local travel agent or airline for current schedules/routes.

- NW - Northwest Airlines
- ME - Mesaba Airlines
(Northwest AirlinK)
- AC - Atlantic Coast Airlines
(United Express AirlinK)
- AW - AirWisconsin Airlines
(United Express AirlinK)
- GL - Great Lakes Aviation
(United Express AirlinK)
- BS - Big Sky Airlines

- Air Carrier Legend**
- Major/National Airline Routes
 - - - Regional Airline Routes

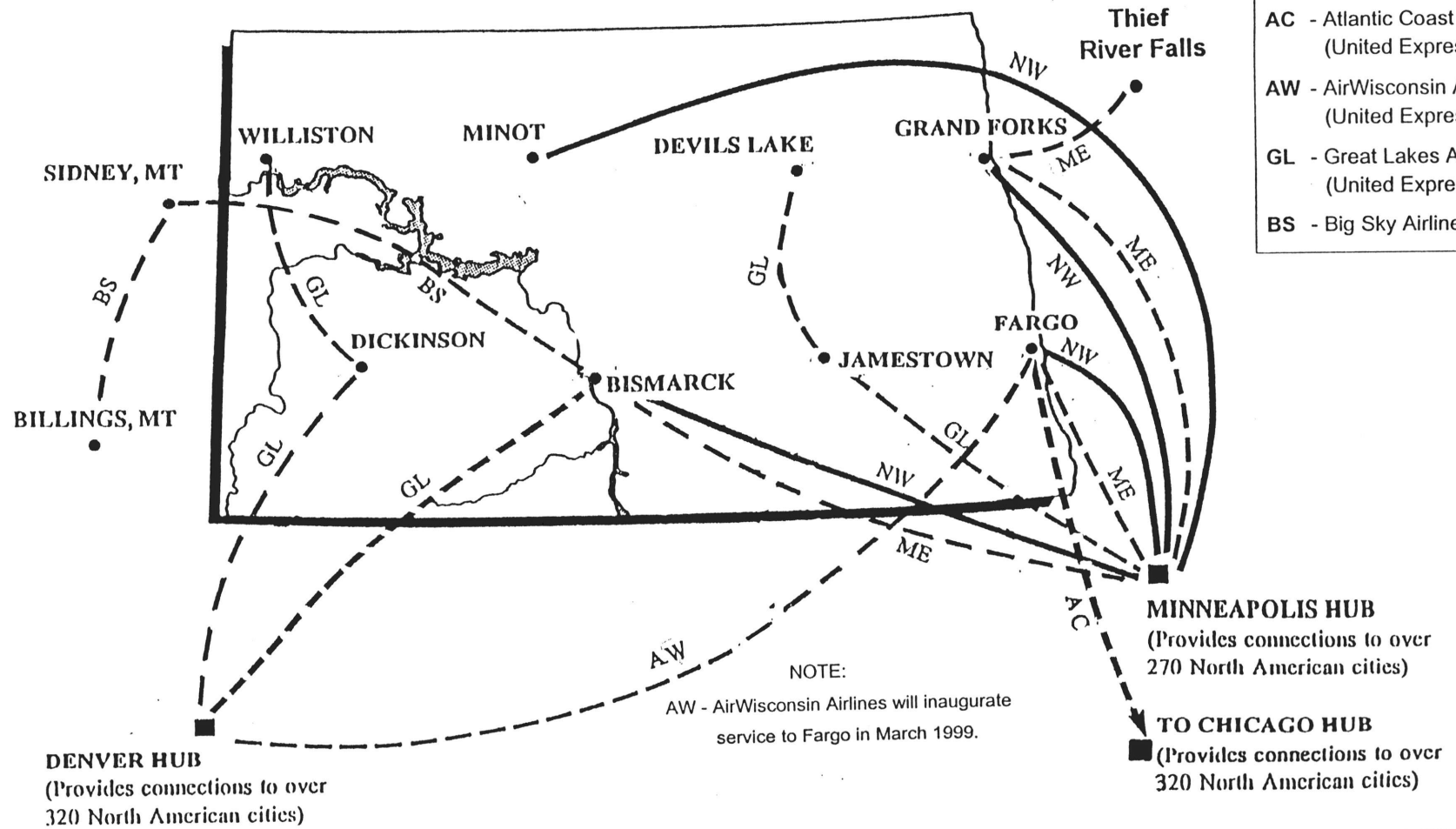


Exhibit O



**NORTH DAKOTA
AIR SERVICE
STUDY UPDATE**

NORTH DAKOTA AIR SERVICE SCHEDULE

EXHIBIT

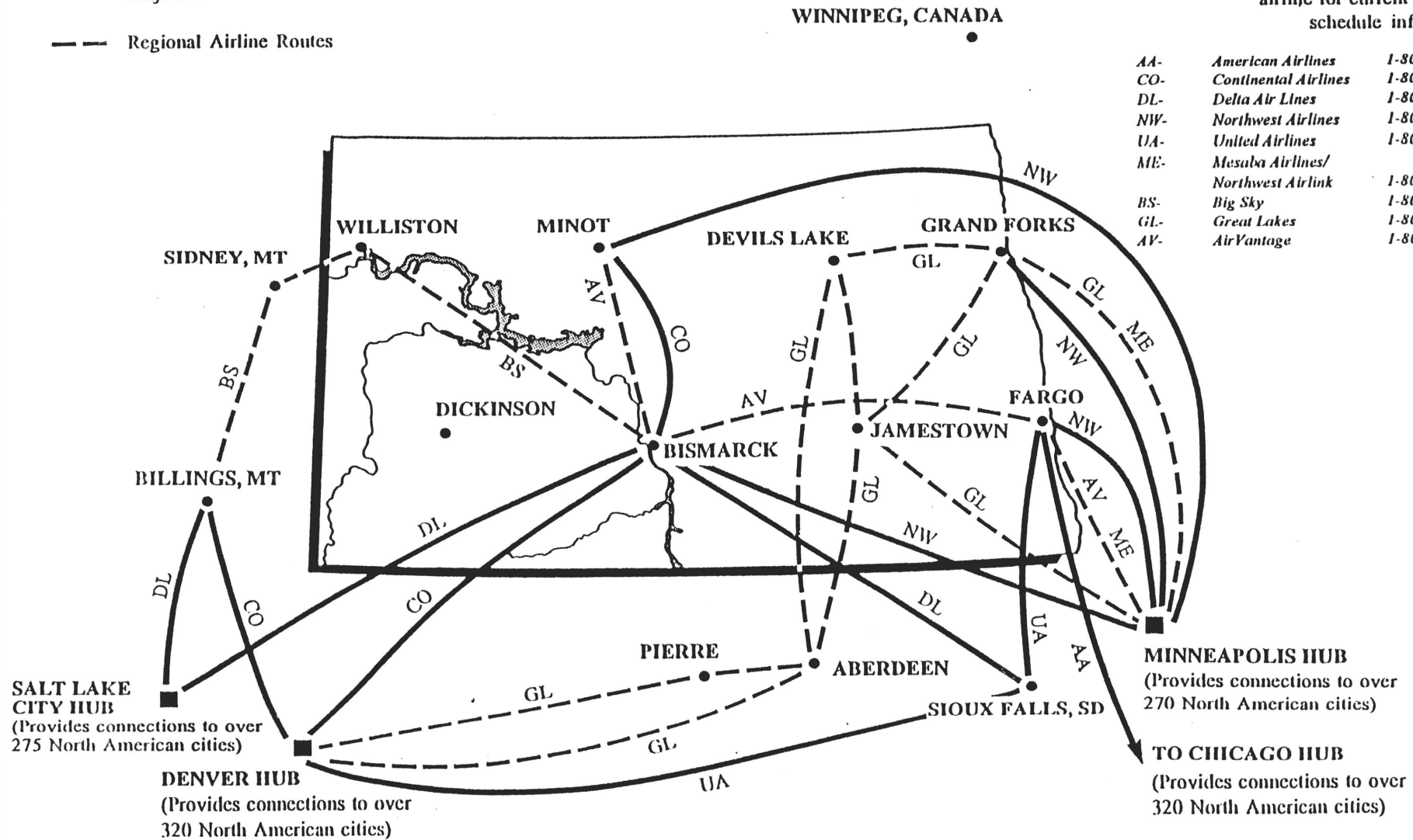
EFFECTIVE MAY 1992

Contact your local travel agent or airline for current route and schedule information.

Air Carrier Legend

- Major/National Airline Routes
- - Regional Airline Routes

AA-	American Airlines	1-800-433-7300
CO-	Continental Airlines	1-800-525-0280
DL-	Delta Air Lines	1-800-221-1212
NW-	Northwest Airlines	1-800-225-2525
UA-	United Airlines	1-800-241-6522
ME-	Mesaba Airlines/ Northwest Airlink	1-800-225-2525
BS-	Big Sky	1-800-237-7788
GL-	Great Lakes	1-800-554-5111
AV-	AirVantage	1-800-456-0245



**NORTH DAKOTA
AIR SERVICE
STUDY UPDATE**

**NORTH DAKOTA AIR SERVICE SCHEDULE
MAY 1992**

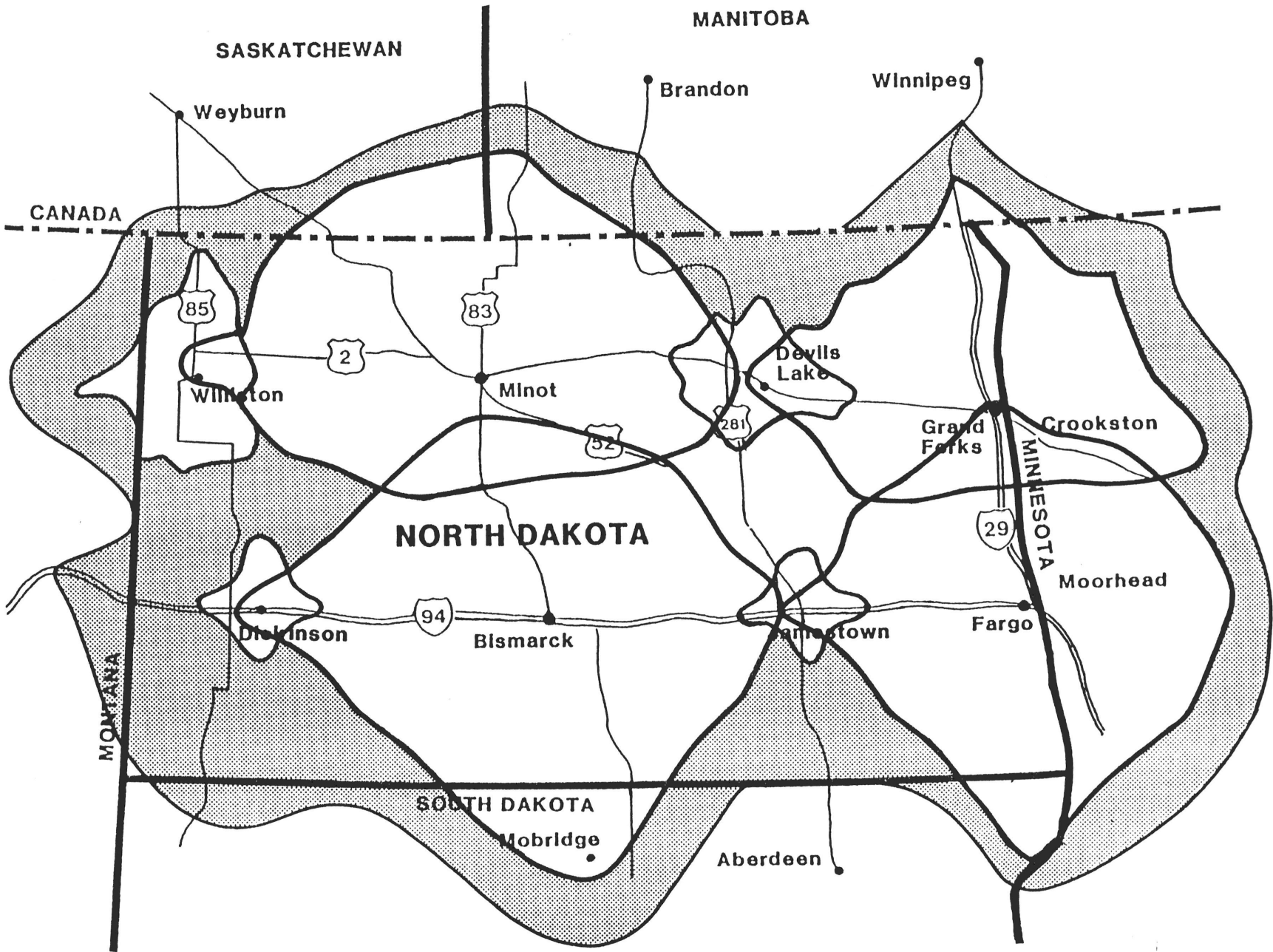
**EXHIBIT
III-1**



North Dakota
State Aviation
System Plan Update

ADJUSTED SERVICE AREAS

EXHIBIT



1997 AIRLINE PASSENGER MARKETS

BY: N.D. AERONAUTICS COMMISSION
JULY 1, 1998

1,010,723 passengers in 1997 used eight North Dakota airports and three scheduled airlines: Northwest and regional commuters of United Express - Great Lakes Aviation, and Northwest AirlinK - Mesaba. The chart below reports the top markets where people fly using North Dakota airports via the airlines:

PASSENGERS BY CITY
(On and Off)

1997 TOP U.S. MARKETS	1997 RANK	1996 RANK	1995 RANK	FARGO	BISMARCK	GRAND FORKS	MINOT	WILLISTON	JAMESTOWN	DEVILS LAKE	DICKINSON	STATE TOTAL	MARKET SHARE								
MINNEAPOLIS	(1)	(1)	(1)	47,431	38,234	38,568	19,199	60	1,950	1,522	0	146,964	14.5%								
DENVER	(2)	(2)	(3)	22,925	14,123	7,369	5,080	2,890	320	320	2,253	55,280	5.5%								
PHOENIX	(3)	(3)	(2)	19,054	10,574	7,937	6,546	520	130	89	404	45,254	4.5%								
CHICAGO	(4)	(4)	(4)	24,167	10,551	5,563	4,123	360	20	134	116	45,034	4.5%								
LOS ANGELES	(5)	(5)	(10)	15,494	8,564	7,114	6,107	270	90	36	183	37,858	3.7%								
SEATTLE	(6)	(6)	(5)	12,555	7,856	5,080	5,243	200	60	0	299	31,293	3.1%								
WASHINGTON DC	(7)	(9)	(8)	11,395	9,395	4,702	4,632	220	40	63	67	30,514	3.0%								
ORLANDO	(8)	(8)	(7)	10,598	6,564	4,844	4,438	140	40	36	19	26,679	2.6%								
LAS VEGAS	(9)	(7)	(6)	8,321	6,748	4,229	4,958	340	140	71	58	24,865	2.5%								
DALLAS	(10)	(10)	(9)	9,253	7,077	3,122	3,716	340	30	9	144	23,691	2.3%								
NY/NEWARK	(11)	(11)	(19)	11,116	4,718	3,737	2,819	250	70	63	77	22,850	2.3%								
PORTLAND	(12)	(13)	(11)	7,359	4,708	3,075	2,199	170	70	45	67	17,693	1.8%								
SAN FRAN/OAKL.	(13)	(12)	(12)	7,783	3,467	2,686	2,514	260	100	45	86	16,941	1.7%								
KANSAS CITY	(14)	(15)	(14)	6,562	4,246	1,826	2,433	100	20	18	116	15,321	1.5%								
SAN DIEGO	(15)	(14)	(13)	6,345	3,538	2,507	1,843	130	20	9	58	14,450	1.4%								
ATLANTA	(16)	(17)	(16)	6,489	3,446	2,346	2,036	80	0	27	0	14,424	1.4%								
ST. LOUIS	(17)	(16)	(15)	6,220	3,087	2,564	1,700	130	20	9	173	13,903	1.4%								
HOUSTON	(18)	(N/A)	(N/A)	4,099	3,918	1,485	1,914	710	10	18	327	12,481	1.2%								
BOSTON	(19)	(18)	(20)	5,651	3,108	1,968	1,519	0	20	18	48	12,332	1.2%								
PHILADELPHIA	(20)	(20)	(N/A)	4,647	3,128	2,072	1,411	40	20	18	125	11,461	1.1%								
Top 20 Markets				247,464	60%	157,050	64%	112,794	62%	84,430	57%	7,210	58%	3,170	80%	2,550	65%	4,620	65%	619,288	57%
Other Cities				159,448	40%	87,479	36%	70,750	38%	63,730	43%	5,336	42%	797	20%	1,360	35%	2,535	35%	391,435	43%
CY Total Passengers				406,912		244,529		183,544		148,160		12,546		3,967		3,910		7,155		1,010,723	100%

SOURCE: 1997 U.S. DOT 10% TICKET SAMPLING
PROJECTED TO 100% MARKET SHARE

4

NORTH DAKOTA AIRLINE TRENDS

PREPARED BY: NDAC

CALENDAR YEAR 1998

01-27-99

	CY 98	CY 97	CY 96	CY 95	CY 94	CY 93	CY 92	CY 91	98 vs. 97 Diff.	% Change
NORTHWEST -13/										
Bismarck	94,918	103,341	98,113	99,559	100,622	92,635	87,218	77,397	(8,423)	-8.2%
Fargo	156,610	171,429	171,764	168,941	166,104	140,598	154,964	141,540	(14,819)	-8.6%
Grand Forks	63,326	73,918	76,109	80,066	81,874	76,524	89,067	83,828	(10,592)	-14.3%
Minot	67,508	68,664	67,157	67,815	69,697	66,460	73,270	62,699	(1,156)	-1.7%
Totals	382,362	417,352	413,143	416,381	418,297	376,217	404,519	365,464	(34,990)	-8.4%
FRONTIER - 1/										
Bismarck	0	0	8,864	18,639	8,741	0	0	0	0	0.0%
Fargo	0	0	8,506	20,095	10,679	0	0	0	0	0.0%
Grand Forks	0	0	0	270	3,789	0	0	0	0	0.0%
Minot	0	0	0	286	5,045	0	0	0	0	0.0%
Totals	0	0	17,370	39,290	28,254	0	0	0	0	0.0%
CONTINENTAL - 2/										
Bismarck	0	0	0	0	0	26,377	32,439	30,598	0	0.0%
Minot	0	0	0	0	0	17,059	23,714	26,512	0	0.0%
Totals	0	0	0	0	0	43,436	56,153	57,110	0	0.0%
AMERICAN - 3/										
Fargo	0	0	0	0	1,683	23,564	18,916	0	0	0.0%
Totals	0	0	0	0	1,683	23,564	18,916	0	0	0.0%
UNITED - 4/										
Fargo	0	0	0	0	0	20,469	31,951	32,424	0	0.0%
Totals	0	0	0	0	0	20,469	31,951	32,424	0	0.0%
DELTA - 5/										
Bismarck	0	0	0	0	0	0	9,364	14,057	0	0.0%
Totals	0	0	0	0	0	0	9,364	14,057	0	0.0%
UNITED EXPRESS - 6/										
Bismarck	21,041	13,059	24,722	20,354	20,939	16,391	2,503	0	7,982	61.1%
Devils Lake	3,123	1,887	3,811	3,722	3,812	4,055	3,550	2,754	1,236	65.5%
Dickinson	3,883	3,607	4,323	3,457	3,568	929	0	0	276	7.7%
Fargo	13,587	13,507	12,487	15,813	18,715	10,387	2,524	0	80	0.6%
Grand Forks	0	30	3,403	6,795	8,717	11,871	4,965	938	(30)	-100.0%
Jamestown	3,475	2,016	2,581	2,790	3,219	3,450	4,183	3,511	1,459	72.4%
Minot	1,715	5,473	8,446	8,806	6,099	478	0	0	(3,758)	-68.7%
Williston	6,191	6,273	8,800	7,258	7,006	3,947	0	0	(82)	-1.3%
Totals	53,015	45,852	68,573	68,995	72,075	51,508	17,725	7,203	7,163	15.6%
UNITED EXPRESS ATLANTIC COAST - 12/										
Fargo	1,094	0	0	0	0	0	0	0	1,094	100.0%
Totals	1,094	0	0	0	0	0	0	0	1,094	100.0%
GP EXPRESS - 7/										
Bismarck	0	0	0	0	223	415	0	0	0	0.0%
Minot	0	0	0	0	207	388	0	0	0	0.0%
Totals	0	0	0	0	430	803	0	0	0	0.0%
BIG SKY - 8/										
Bismarck	86	0	0	0	0	870	2,841	2,505	86	0.0%
Minot	0	0	0	0	143	79	0	0	0	0.0%
Williston	0	0	0	0	0	1,134	3,373	3,191	0	0.0%
Totals	86	0	0	0	143	2,083	6,214	5,696	86	0.0%
AIRVANTAGE - 9/										
Bismarck	0	0	0	180	1,116	975	383	140	0	0.0%
Fargo	0	0	0	263	1,269	1,212	511	161	0	0.0%
Minot	0	0	0	189	574	400	164	65	0	0.0%
Totals	0	0	0	632	2,959	2,587	1,058	366	0	0.0%
MESABA - 10/										
Bismarck	6,013	6,035	5,668	1,464	0	0	0	0	(22)	-0.4%
Devils Lake	0	0	0	0	0	0	0	46	0	0.0%
Jamestown	0	0	0	0	0	0	0	104	0	0.0%
Fargo	22,535	18,169	23,576	17,533	14,213	15,760	8,256	7,040	4,366	24.0%
Grand Forks	20,760	19,483	13,071	6,288	6,189	7,787	5,208	8,472	1,277	6.6%
Totals	49,308	43,687	42,315	25,285	20,402	23,547	13,464	15,662	5,621	12.9%
ATHABASKA - 11/										
Williston	0	0	0	44	0	0	0	0	0	0.0%
Totals	0	0	0	44	0	0	0	0	0	0.0%
STATE TOTAL	485,865	506,891	541,401	550,627	544,243	544,214	559,364	497,982	(21,026)	-4.1%
STATE MAJORS	382,362	417,352	430,513	455,671	448,234	463,686	520,903	469,055	(34,990)	-8.4%
STATE REGIONALS	103,503	89,539	110,888	94,956	96,009	81,398	41,302	31,432	13,964	15.6%

1/ - Frontier inaugurated service July 5, 1994 and discontinued service at Grand Forks & Minot January 15, 1995 and Bismarck and Fargo on September 11, 1996.

2/ - Continental discontinued service at Bismarck and Minot on September 30, 1993.

3/ - American inaugurated service at Fargo on May 1, 1992. (Filed to discontinue service on January 30, 1994).

4/ - United discontinued service at Fargo on September 7, 1993.

5/ - Delta discontinued service on September 10, 1992.

6/ - United Express inaugurated service at Bismarck on August 1, 1992, Dickinson on September 8, 1993, Devils Lake on January 7, 1991,

Fargo on July 3, 1992, Grand Forks on June 3, 1991, Jamestown on January 7, 1991, Minot on October 11, 1993, Williston on May 10, 1993.

Terminated Service at GFKS - 01-05-97. Void Service BIS-MOT-DIK-WIL from 05-17-97 to 07-04-97, JMS-DVK from 05-17-97 to 07-22-97, FAR from 05-17-97 to 06-02-97.

Terminated service at Fargo on December 14, 1998. Terminated service at Minot on April 22, 1998.

7/ - GP Express inaugurated service at Bismarck and Minot on October 17, 1993 and discontinued service February 28, 1994

8/ - Big Sky discontinued service at Bismarck and Williston on May 9, 1993. Big Sky inaugurated service between

Minot and Billings, MT on December 1, 1993 and discontinued this service February 19, 1994. Inaugurated service to Bismarck on December 1, 1998.

9/ - Airvantage inaugurated service February 1991 and discontinued service April 21, 1995.

10/ - Mesaba operating as a Northwest Airlin inaugurated Bismarck service on September 15, 1995. No service - NW strike Aug. 30 - Sept. 15, 1998

11/ - Athabaska inaugurated service at Williston on May 16, 1995 and discontinued service November 30, 1995.

12/ - United Express - Atlantic Coast Airlines inaugurated service at Fargo on December 15, 1998.

13/ - Northwest Airline stnke August 30, 1998 to September 15, 1998 - no service.

5

NORTH DAKOTA - DENVER

AIRLINE PASSENGER ENPLANEMENT HISTORY

Cont.	-	Continental
Front.	-	Frontier
UAE	-	United Express
UA	-	United Airlines
GPE	-	GP Express

Prepared by: Mark J. Holzer
ND Aeronautics Commission
February 25, 1999

	BISMARCK						FARGO				GRAND FORKS			MINOT				YEARLY TOTALS	
	CONT.	FRONT	DELTA	UAE	GPE	BIS TOTAL	UA	UAE	FRONT	FAR TOTAL	UAE	FRONT	GFK TOTAL	CONT.	UAE	FRONT	GPE		MINOT TOTAL
1990	28,711		14,254			42,965	35,961			35,961		0	0	22,865				22,865	101,791
1991	30,598		14,057			44,655	32,424			32,424	936	0	936	26,512				26,512	104,527
1992	32,439		9,364	2,503		44,306	31,951	2,524		34,475	4,965	0	4,965	23,714				23,714	107,460
1993	26,377			16,391	415	43,183	20,469	10,387		30,856	11,871	0	11,871	17,059	478		388	17,925	103,835
1994		8,741		20,939	223	29,903		18,715	10,679	29,394	8,717	3,789	12,506		6,099	5,045	207	11,351	83,154
1995		18,639		20,354		38,993		15,813	20,095	35,908	6,795	270	7,065		8,806	286		9,092	91,058
1996		8,864		24,722		33,586		12,487	8,506	20,993	3,403	0	3,403		8,440			8,440	66,422
1997				13,059		13,059		4,000 ^(1/)		4,000	30 ^(2/)		30		5,473			5,473	22,562
1998				21,041		21,041		0		0	0		0		1,715 ^(3/)			1,715	22,756

1/ - Discontinued Denver service May 17, 1997 (total estimated)

2/ - Discontinued Denver service January 5, 1997

3/ - Discontinued Denver service April 22, 1998

**Conclusion: Since 1992, the Denver hub traffic decreased by
by 80% or 80,000 enplanement passengers.**

(BISDEN)

9

CALENDAR YEAR 1998

AIRLINE LOAD FACTORS NORTH DAKOTA AIRPORTS

Source: N.D. Airport Management Annual Landings Report

Prepared by: Roger L. Pfeiffer
North Dakota Aeronautics Commission
January 28, 1999

MAJORS		BISMARCK		FARGO		GRAND FORKS		MINOT		A. TOTAL	
NORTHWEST	SEATS	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.
DC9-10	78	46	3,588	28	2,184	89	6,942	146	11,388	309	24,102
DC9-30	100	826	82,600	1525	152,500	907	90,700	749	74,900	4,007	400,700
DC9-40	112	99	11,088	44	4,928	17	1,904	60	6,720	220	24,640
DC9-50	122	353	43,066	302	36,844	24	2,928	62	7,564	741	90,402
MD-80	148			192	28,416	0	0	0	0	192	28,416
727-200	146			91	13,286	0	0	0	0	91	13,286
A320	150			7	1,050	1	150	0	0	8	1,200
757	184			1	184	2	368	0	0	3	552
DC10	181			0	0	0	0	0	0	0	0
ANNUAL LANDINGS/SEATS		1,324	140,342	2,190	239,392	1,040	102,992	1,017	100,572	5,571	583,298
PAX FLT. AVG/PAX AIRPORT		72	94,918	72	156,610	61	63,326	66	67,508	69	382,362
AVE. LOAD FACTOR		68%		65%		61%		67%		66%	
MESABA	SEATS	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.
Dash 8	37	2	74	396	14,652	506	18,722	0	0	904	33,448
Metro	19	0	0	0	0	0	0	0	0	0	0
SAAB 340A	30	37	1,110	0	0	0	0	0	0	37	1,110
SAAB 340B	34	287	9,758	115	3,910	767	26,078			1,169	39,746
SA-227	19	0	0	0	0	97	1,843	0	0	97	1,843
ARJ	69	0	0	212	14,628	0	0	0	0	212	14,628
RJ85	60			0	0	244	14,640			244	14,640
ANNUAL LANDINGS/SEATS		326	10,942	723	33,190	1,614	61,283	0	0	2,663	105,415
PAX FLT. AVG/PAX AIRPORT		18	6,013	31	22,535	13	20,760	0	0	18.5	49,308
AVE. LOAD FACTOR		55%		68%		34%		0%		47%	

CALENDAR YEAR 1998

AIRLINE LOAD FACTORS NORTH DAKOTA AIRPORTS

Source: N.D. Airport Management Annual Landings Report

Prepared by: Roger L. Pfeiffer
North Dakota Aeronautics Commission
January 1999

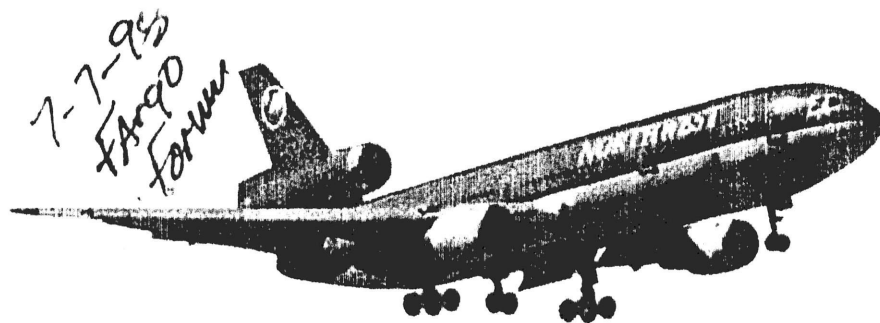
REGIONAL		BISMARCK		FARGO		GRAND FORKS		MINOT		A. TOTAL	
GREAT LAKES UNITED EXPRESS	SEATS	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.
B1900	19	1,994	37,886	0	0	0	0	0	0	1,994	37,886
EMB 120	30	321	9,630	824	24,720	0	0	285	8,550	1,430	42,900
ANNUAL LANDINGS/SEATS		2,315	47,516	824	24,720	0	0	285	8,550	3,424	80,786
PAX FLT. AVG/PAX AIRPORT		9	21,041	16	13,587	0	0	6	1,715	11	36,343
AVE. LOAD FACTOR		44%		55%		0%		20%		45%	

UNITED EXPRESS		DEVILS LAKE		DICKINSON		JAMESTOWN		WILLISTON		B. TOTAL	
SEATS	SEATS	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.
B1900	19	879	16,701	1,412	26,828	1,724	32,756	988	18,772	5,003	95,057
ANNUAL LANDINGS/SEATS		879	16,701	1,412	26,828	1,724	32,756	988	18,772	5,003	95,057
PAX FLT. AVG/PAX AIRPORT		4	3,123	3	3,883	2	3,475	6	6,191	3	16,672
AVE. LOAD FACTOR		19%		14%		11%		33%		18%	

United Express Statewide (Great Lakes)	Annual Landings/Seats (A +B)	8,427	175,843
	PAX Flight Average/PAX Apt.	6.3	53,015
	Average Load Factor	30%	

UNITED EXPRESS ATLANTIC COAST		FARGO								TOTAL	
SEATS	SEATS	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.	LAND INGS	SEATS AVLB.
CRJ	50	48	2,400							48	2,400
ANNUAL LANDINGS/SEATS		48	2,400							48	2,400
PAX FLT. AVG/PAX AIRPORT		23	1,094							23	1,094
AVE. LOAD FACTOR		46%								46%	

00



Northwest pilots strike would have significant impact

By Gerry Gilmour
and Sarah Coomber
The Forum

Travelers carried by Northwest and Northwest Airlink in-state expenditures contribute an estimated \$11.8 million per month to the North Dakota Economy.

Year ending March 1998

21,959 visitors per month

\$247 Average direct expenditures per visitor

\$5,429,343 Total direct expenditures

\$9,501,351 Economic impact*

+\$2,339,167 Northwest in-state expenditures

11,840,518 Total economic impact per month

*Figure based on direct expenditures times .75 multiplier

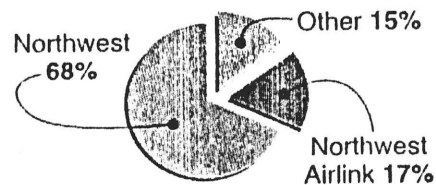
Two-thirds of Northwest's North Dakota air travelers are visitors from out of state.

Year ending March 1998



Northwest and Northwest Airlink are the predominant scheduled air carriers for North Dakota.

May 1998 departures



Dawn Brehm / The Forum

A Northwest Airlines pilots strike would have a multimillion-dollar impact on North Dakota's economy, airline officials said Monday in Fargo.

Northwest vice president for government relations Bob Benner and vice president for worldwide corporate communications Don Foley released to The Forum a report showing that out of state visitors monthly contribute \$9.5 million to the state's economy while the airline generates \$2.34 million.

Benner, Foley and other Northwest officials were in Fargo meeting with North Dakota business and travel leaders to work out a plan that will test reduced airfares from North Dakota cities to nationwide destinations over a six-month period.

Airline officials in May agreed to lower some fares after meeting with state airport representatives and U.S. Sen. Byron Dorgan, D N.D.

But Foley said Monday's discussions should be marked with an asterisk. If Northwest's pilots strike, the agreements might be nullified.

See **NORTHWEST**, Back Page

* NWA STRIKE every 20 years 3 1978 & 1999

THE Bismarck Tribune

125 YEARS

Friday, July 31, 1998 □ Bismarck/Mandan, N.D. □ Call 223-2500 or Toll Free 1-800-472-2273 □ Single copy

Pilot strike could cripple

State dependent on Northwest for service

From Tribune Staff and Wire Reports

BLOOMINGTON, Minn. — Northwest Airlines and its pilots' union both expressed hope Thursday that a contract agreement could still be reached as the clock began ticking toward a possible strike.

The National Mediation Board declared the talks at an impasse Wednesday, triggering a 30-day cooling off period. The earliest pilots could strike the nation's fourth-largest airline would be Aug. 29.

Because Northwest handles about 85 percent of all air passengers in and out of North Dakota, a strike would have a huge impact on the state's economy, Gov. Ed Schafer said Thursday.

"I suspect that North Dakota has the biggest impact of any state from a Northwest strike, based on there not being many alternatives here," Schafer said.

State and airport officials already have been told by Northwest that the airline would completely shut down its operations in the event of a pilots' strike, rather than continuing to operate with non-union replacement pilots.

Schafer said he will write a letter to President Clinton, requesting he invoke the Taft-Hartley Act to keep the airline running.

He said he also plans to resume talks with United Express and Frontier Airlines about bringing in any excess planes they can in the event of a strike. State officials have had ongoing discussions with both airlines about expanded air service in North Dakota.

"The problem is, with Labor Day travel there won't be a lot of excess planes hanging around,"

Schafer said. "Both carriers have told me they are going to do what they can to help."

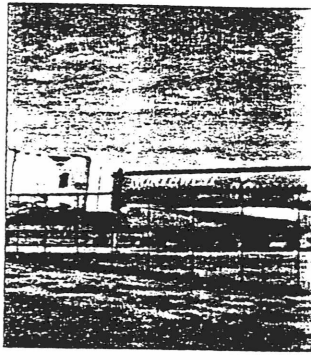
A Northwest shutdown would be "crippling" to the Bismarck Airport, said Airport Manager Greg Haug. The airline handles 84 percent of passengers at the airport.

"We would continue to have service with United Express, but I don't think they would have enough capacity laying around — additional aircraft not being utilized in other locations — where they could come in and fill the void," he said.

Of the state's other large airports, Fargo's would similarly be reduced to service from just United Express. Grand Forks and Minot, both served solely by Northwest, would be left without commercial air service.

Based on a 1994 Aeronautics Commission study, a Northwest shutdown would have a

(More on STRIKE, Page 14A)



A Northwest plane gets ready to dec

Strike: Schafer outlines plans

FROM PAGE 1A

statewide economic impact of \$650,000 per day, counting both direct impact from salaries and indirect impact on airport concessions, hotels and travel agencies.

About 70 percent of the total impact is money that wouldn't be spent by air travelers for various services if Northwest is on strike, said Gary Ness, director of the North Dakota Aeronautics Commission.

Regionally, a strike would eliminate about 30 percent of the activity at Minneapolis-St. Paul International Airport and would also impact the economies of Minnesota, South Dakota, Wisconsin and Michigan.

The National Mediation Board said it would schedule further talks between Northwest and the pilots' union, but no date was set.

The talks, which began in August 1996, have been under the direction of a federal mediator for nearly a year. Pilots asked the NMB in mid-June to declare an impasse.

The board decided Wednesday that further mediation would not be successful without an impasse declaration, said board spokesman Jim Armshaw.

"The difference is that we're operating under a time frame and a crisis deadline," Armshaw said of further talks between the airline and its pilots.

Airline posts answers on Web site

Northwest Airlines is guaranteeing passengers no travel disruptions through Aug. 28, since the mandated 30-day "cooling off" period prohibits pilots from striking until 12:01 a.m. Aug. 29.

If a strike does occur, the airline says it will either book passengers on another carrier at no additional charge, or they'll be refunded their money.

Until a strike is declared, Northwest customers will not be eligible for refunds on restricted non-refundable tickets.

The airline has already begun converting the electronic "e-tickets" to paper tickets that will be mailed to passengers traveling after Aug. 28, in the event they need a paper ticket to get a ticket on another airline.

Other frequently asked questions are addressed on the airline's Web site at www.nwa.com. Or, passengers can call Northwest's reservation line at 800-225-2525.

Paul Omodt, a spokesman for the Air Line Pilots Association, said Thursday that Northwest has not made a realistic economic or job security proposal during the nearly two years of talks. Other unresolved issues include work rules and the proposed alliance between Northwest and Continental Airlines.

The pilots' union turned down the board's offer of binding arbitration because it has a tradition of negotiated settlements, which are better than "having an agreement imposed by an outsider," Omodt said.

"We believe Northwest management needs a deadline to motivate them to realistic bargaining," he

said. "There's not one Northwest pilot out there who wants a strike, but there's not one Northwest pilot who is not willing to strike."

Northwest officials said they were disappointed that the pilots rejected arbitration.

"At the same time, we believe that a negotiated settlement remains possible and we will do our utmost to achieve such a settlement," said Ben Hirst, senior vice president and lead negotiator for the airline.

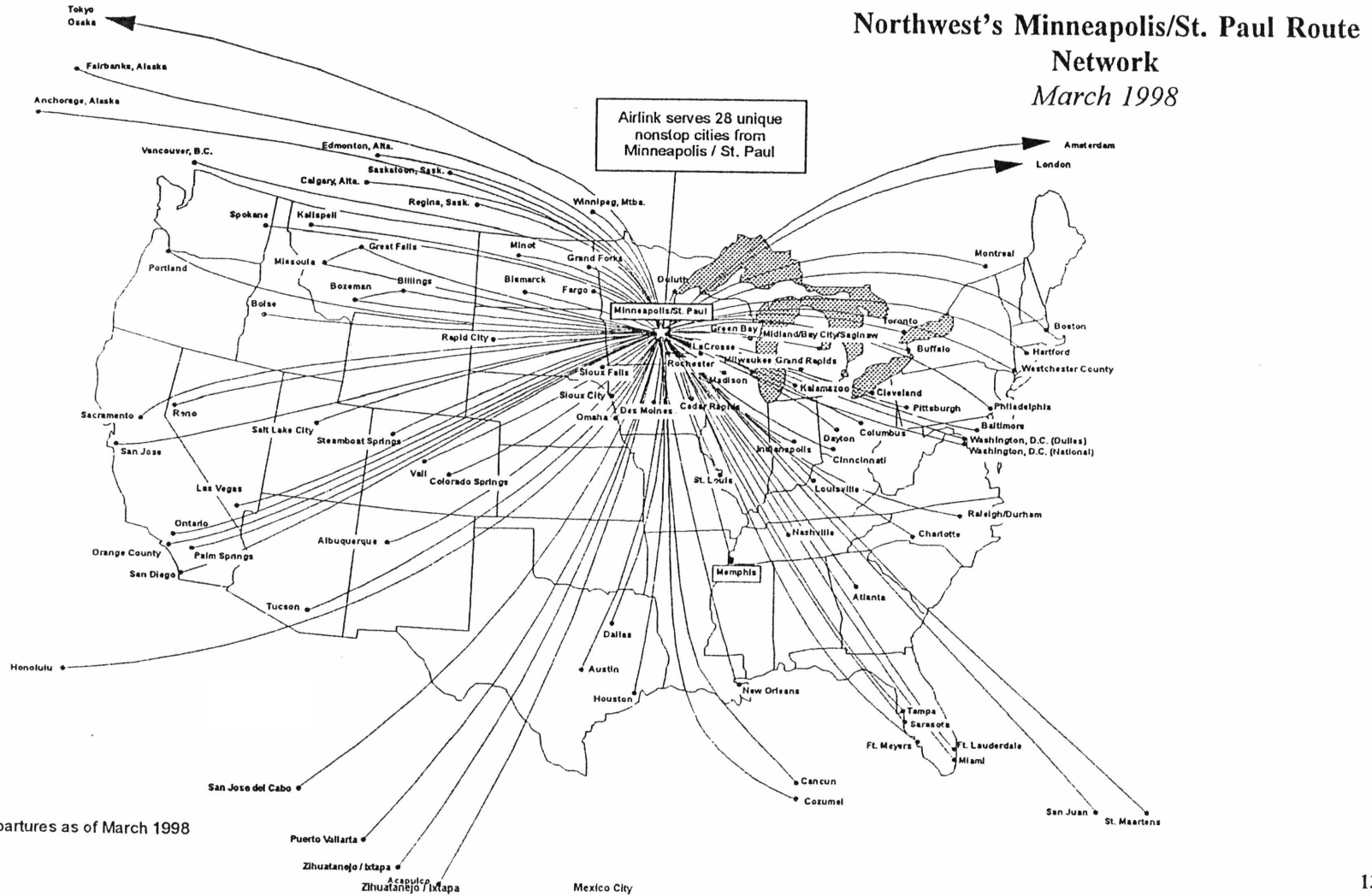
Hirst said customers with reservations in the next 30 days will not be affected.

(Business writer Joe Gardyasz contributed to this story).



Fly North Dakota Test Program

Northwest and Northwest AirlinK Now Serve a Total of 134 Nonstop Domestic and International Destinations with 487 Daily Departures from Minneapolis/St. Paul providing one-stop service to worldwide destinations for North Dakota residents...



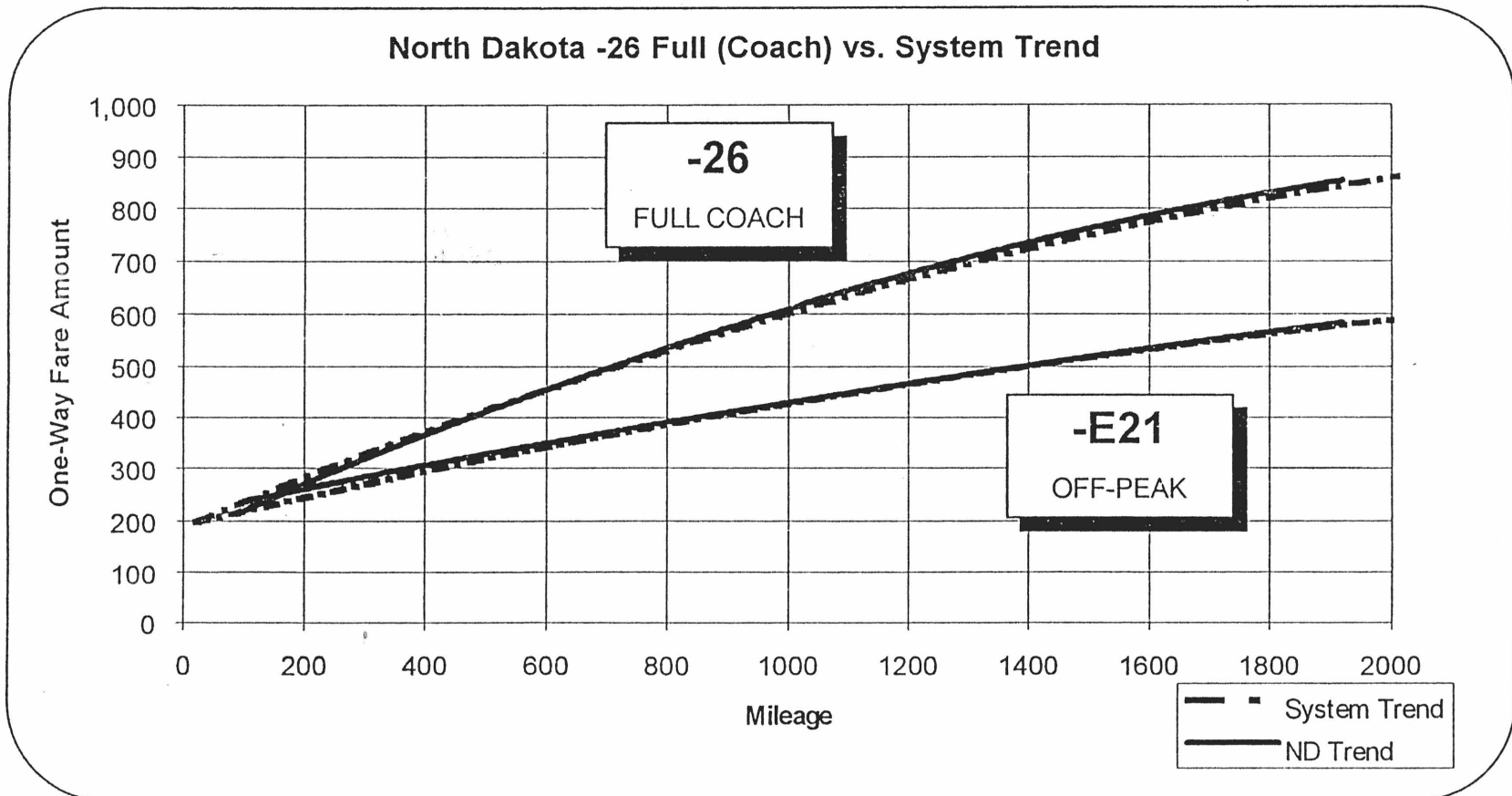


Fly North Dakota Test Program

Hub Pricing

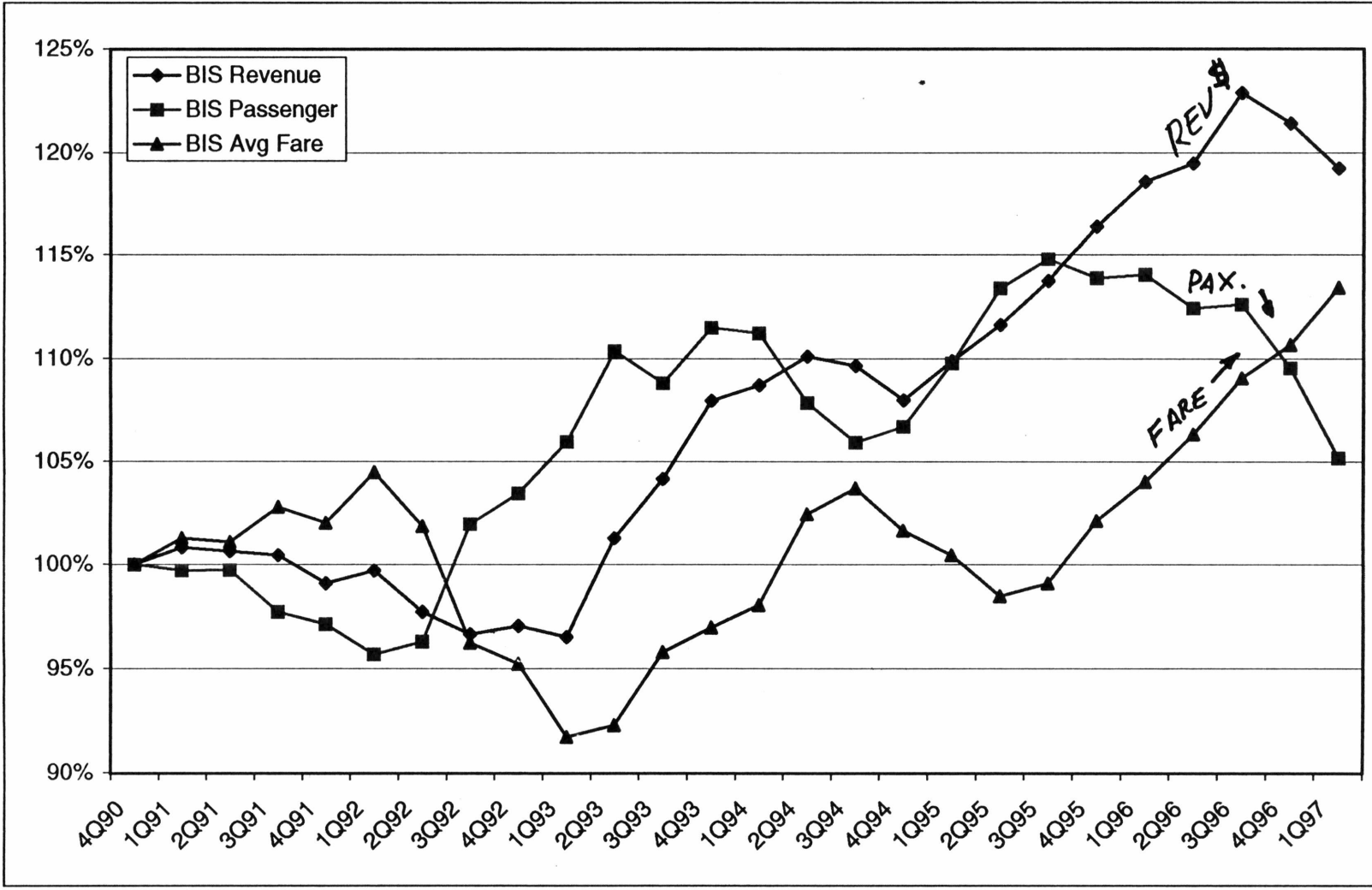
Perception: Fares in hubs and high share feeder cities are considerably higher than more competitive connect markets

Reality: Fares are highly correlated to distance and nearly mirror prices in connect markets



12

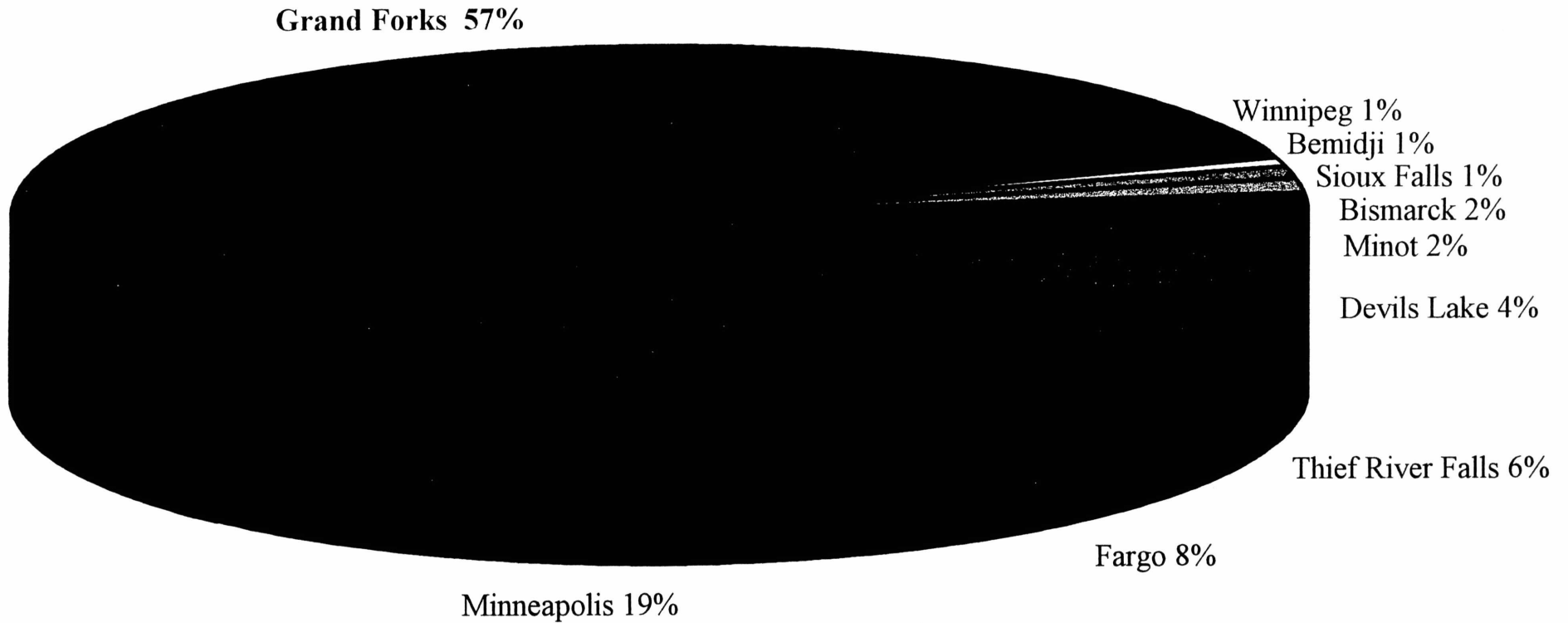
BIS O&D Revenue, Passengers & Fare: 4Q Ending Avg, Indexed to YE1990



Source: D.O.T. 10% Coupon Sample

65

NE NORTH DAKOTA/NW MINNESOTA PASSENGER MARKET SHARE



*Source: 1997 ticket lift study conducted by Grand Forks Regional Airport Authority.
Survey examined 2,448 ticket receipts from 12 travel agencies within Grand Forks' market service area.*

AIRLINE CONTACTS

January 1997 United Express Bismarck Chamber Meeting

February 1997 Frontier meeting on jet and regional jet carrier - Denver

February 1997 United Airlines - Denver on ND service

July 1997 United Airlines - Denver/Dakota presentation

July 1997 Western Pacific Airlines service proposal - Denver

March 1998 United Airlines - Chicago regional service proposal

May 1998 Northwest meeting in Minneapolis with Dashburg - President with 4 ND cities.

July 1998 "FLY ND" - NWA program setup- (Fargo)

August 1998 Trails West State Jregional Air Service - Valentine, NE

October 1998 "New Airline" startup Business Plan Review/meetings - Bismarck

November 1998 United Express - Great Lakes Brasalia aircraft start in Bismarck

December 1998 United Express Atlantic Coast inauguration - Fargo

February 1999 NWA meeting on "FLY ND" marketing/passenger usage - Minneapolis

February 1999 Minneapolis Airport meeting on co-marketing and passenger services

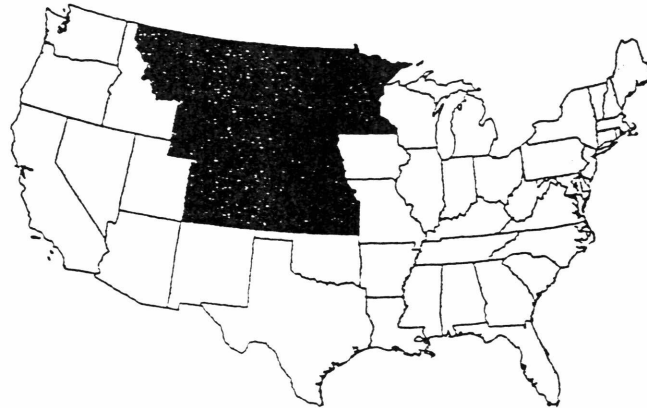
Trails West Aviation Group

The “Trails West Aviation Group” is a consortium of aviation officials from the heartland who have similar interests in aviation matters. It was first organized in 1988 to discuss the differences and similarities in state programs to discuss successes and failures of programs. Over time this has been a valuable network. At the present time, we are working towards a region wide air service study to help those rural and small urban communities to compete in today’s global market. We are looking for “OUTSIDE THE BOX” solutions.

Trails West Aviation Group

Box 5020
Bismarck, ND 58502
(701) 328-9650

Rural and Small Urban Aviation



Today's increasingly global and high-tech economy is placing new demands on transportation systems in rural America. These demands call for more efficient intermodal systems, with the rural airport serving as a key transportation link for many rural businesses.

- Current airline service does not meet all of the needs of all of the consumers
- Air fares are high and access to promotional programs is limited.
- Airlines do not appear receptive to individual community requests for improvement.
- Traditional approaches to building better air service are not working.
- Enplanements are well below historical peaks, management of the airport is being assailed, and funding may be in jeopardy due to such low levels of activity. (This cry is especially strong from airport executives.)

Ultimately, to solve our problems and challenges, we must collectively examine and understand the underlying factors and craft solutions that are within reach, even if those solutions require plans or programs that have not been traditional.

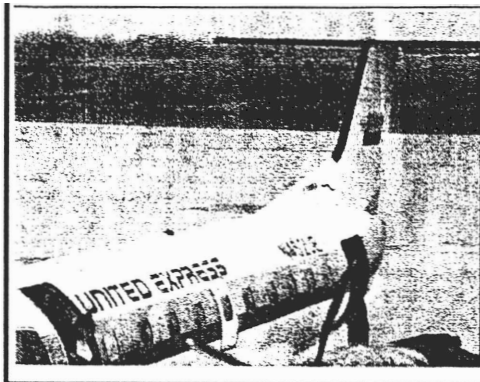
Dakota-Denver Marketing Partnership

This Dakota-Denver air service marketing partnership was initiated in mid-1997 with the Denver International Airport and four jet carrier cities of Bismarck, Fargo, Grand Forks and Minot. Proposals to Denver based airline carriers to enhance competition in North Dakota was made to Frontier, United and Western Pacific jet carriers. The first results of this Dakota-Denver marketing partnership is shown below in the Fargo Forum newspaper article "United Jet Flights Return to Fargo".

OUTSTATE EDITION
www.in-forum.com

The Forum

6 Delivery TUESDAY, OCTOBER 27, 1998 FARGO-MOORHEAD



United jet flights return to Fargo

Chicago service set with Denver a possibility

By Sarah Coomber
The Forum

After two years of negotiations, United Airlines is bringing regional jet service to Fargo.

confident about its return to Fargo. "We believe this is a good market for us," said John Philip, United Airlines director of governmental and public affairs. "This is one of the most vibrant markets in this

ren: turboprops are operated by Great Lakes Aviation. Michael Davis, Atlantic Coast Airlines senior vice president of customer service, said Great Lakes Aviation employees will have the

Exhibit M on the next page previews the United Airlines presentation. To convince carriers of North Dakota's passenger demand, the four city's chambers undertook air traveler business surveys. The survey results are shown on Exhibit N. On the combined surveys, Minneapolis is the strongest market at 27%. However, the next four out of six were western markets totaling 20% of passenger domestic markets.

“Fly North Dakota”

The Aeronautics Commission coordinated the effort for the Northwest Airlines “Fly North Dakota” program. This is a partnership to stimulate traffic from the business community in the state. This effort produced 50% reduction of business walk-up fares to 5 selected markets across the USA. Exhibit K below demonstrates the “ticket” that was created to distribute information on this 6-month program. The program will run from October 1, 1998 to March 1, 1999. A meeting on the program is scheduled this month to review the first three month’s numbers. Exhibit L on the next page is a flyer also used to promote this program.




<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p><i>Take a Look at these HALF-PRICE Business Fares!!</i></p> </div> <div style="text-align: center;">  </div> <div style="text-align: center; padding: 20px 0;"> <p>“FLY NORTH DAKOTA” A 6-month test Program <i>by Northwest Airlines</i> For the BUSINESS FLYER</p> </div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p><i>Take a Look at these HALF-PRICE Business Fares!!</i></p> </div> <div style="text-align: center;">  </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">From:</th> <th style="text-align: left;">To:</th> <th style="text-align: left;">Fare:</th> <th></th> </tr> </thead> <tbody> <tr> <td>Bismarck Minot</td> <td>Minneapolis/ St. Paul</td> <td>\$99.00 Sat. Stay</td> <td>One way, based on round-trip, requires 14-day advanced purchase.</td> </tr> <tr> <td>Bismarck Minot</td> <td>Minneapolis/ St. Paul</td> <td>\$175.00</td> <td>One way, no advanced purchase required.</td> </tr> <tr> <td>Bismarck Minot Grand Forks Fargo</td> <td>Chicago</td> <td>\$195.00</td> <td>One way, based on round-trip, no advanced purchase required.</td> </tr> <tr> <td>Bismarck Minot Grand Forks Fargo</td> <td>Dallas/ Fort Worth</td> <td>\$250.00</td> <td>One way, based on round-trip, no advanced purchase required.</td> </tr> <tr> <td>Bismarck Minot Grand Forks Fargo</td> <td>Los Angeles Washington D.C. Baltimore Phoenix Ontario, CA</td> <td>\$325.00</td> <td>One way, based on round-trip, no advanced purchase required.</td> </tr> </tbody> </table> <p style="text-align: center; font-size: small; margin-top: 10px;"> Fares are subject to Northwest Airlines Terms and Conditions. Call a Chamber Travel Agent for details. </p> <div style="text-align: center; margin-top: 20px;">  </div>	From:	To:	Fare:		Bismarck Minot	Minneapolis/ St. Paul	\$99.00 Sat. Stay	One way, based on round-trip, requires 14-day advanced purchase.	Bismarck Minot	Minneapolis/ St. Paul	\$175.00	One way, no advanced purchase required.	Bismarck Minot Grand Forks Fargo	Chicago	\$195.00	One way, based on round-trip, no advanced purchase required.	Bismarck Minot Grand Forks Fargo	Dallas/ Fort Worth	\$250.00	One way, based on round-trip, no advanced purchase required.	Bismarck Minot Grand Forks Fargo	Los Angeles Washington D.C. Baltimore Phoenix Ontario, CA	\$325.00	One way, based on round-trip, no advanced purchase required.
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Exhibit K

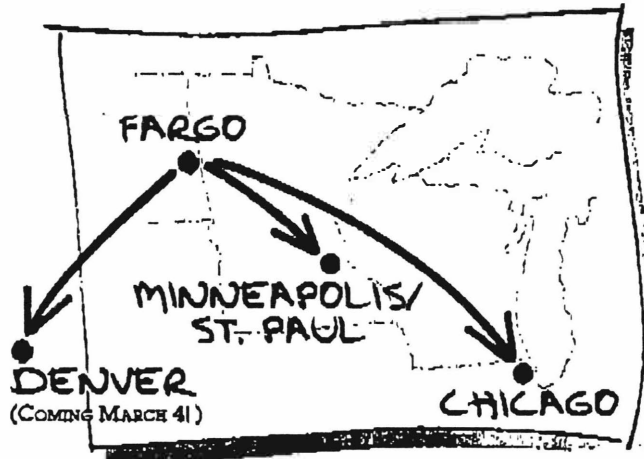
FLY NORTH DAKOTA AIRFARE PROMOTION

Bismarck

- **Kick-off press conference** with Senator Dorgan, Northwest Airlines, and state and local officials (August 11).
- **Media coverage** - numerous local news stories on TV, radio, and print media (August-November).
- **Radio ads** promoting FLY ND in conjunction with National Aviation Week (August 22-24).
- **Website link** to Northwest Airlines FLY ND promotional page (September).
- **Bismarck-Mandan Chamber** newsletter (circulation of 5,000)
 - News story write-ups (September, October, and November)
 - Three-fourths page advertisement (blue flyer) in December.
- **Greater North Dakota Association (GNDA)**
 - News story write-up (November)
 - Direct mailing to members included the blue flyer (December)
- **Bismarck-Mandan Development Association and Convention & Visitors Bureau** inserted blue flyer into newsletters and mailing (November and December).
- **Bismarck-Mandan Chamber of Commerce**
 - Broadcast fax to all 900 members advertising FLY ND fares (October).
 - Marketing and promotional discussions at Air Service Committee meetings (August – December).
 - Direct mailing with promotional materials to top 50 Bismarck-Mandan companies. Mailing also included sample letter to advertise FLY ND fares to vendors, suppliers, associates, etc. in MSP, LAX, DCA, ORD, DFW, PHX (September).
- **Personal visits** to all travel agencies to promote FLY ND, gauge awareness, distribute promotional information and get feedback, Chamber and Airport Representatives (November).
- **Travel agent promotions**
 - Broadcast faxes to clients (September – December).
 - Distributing FLY ND (yellow) jacket/envelope stuffers (November – December).
 - Hosted luncheon with Chuck Pineo and Paul Christianson of Northwest Airlines to discuss FLY ND (December).
- **Holiday mixer** – Northwest Airlines promotional booth staffed by Chuck Pineo and Paul Christianson (December).



NON-STOP JET SERVICE



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ST. PAUL**



to **CHICAGO**
or **DENVER**



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www.fargoairport.com

SUMMARY OF "AIR SERVICE RESTORATION ACT"

SHORT TITLE.

"Air Service Restoration Act"

PURPOSES.

The purpose of the Act is to facilitate, through a pilot program, incentives and projects that will help communities improve their access to essential airport facilities through public-private partnerships and to identify and establish ways to overcome the unique policy, economic, geographic, and marketplace factors that may inhibit the availability of quality, affordable air service to small communities.

ESTABLISHMENT OF SMALL COMMUNITY AIR SERVICE DEVELOPMENT OFFICE.

The Act establishes a "Small Community Air Service Development Office" within the Department of Transportation. The office will serve as a facilitator between small communities and carriers to increase the viability of affordable air service to small communities and create "*aviation development zones*." Its functions include:

- (1) Administering the air service development pilot program for small communities by designating "*aviation development zones*";
- (2) Providing policy recommendations to the Secretary and the Congress that will ensure that small communities have access to quality, affordable air service;
- (3) Report annually to Congress on the availability of air service in small communities, including:
 - (A) an assessment of air fares charged and variances in levels of service in small communities compared to fares and levels of service in larger metropolitan areas and
 - (B) an identification of the policy, economic, geographic and marketplace factors that inhibit the availability of quality, affordable air service to small communities.

AIR SERVICE PILOT PROGRAM FOR SMALL COMMUNITIES.

The Act authorizes up to \$20 million per year for five years for the purposes of providing grants to small communities to improve or attract new air service. Up to 40 communities (or consortia of communities) may participate (no more than 4 per State) and may be

eligible for no more than \$500,000 per year, with a local match of at least 25% required [which can be either indirect (e.g., seat guarantees) or direct funding].

In awarding applicants under this program, DOT shall apply geographic diversity criteria and the presentation of unique circumstances. Also, applicants must ensure that a public-private partnership exists at the local level to carry out the community's proposal and that the community has established an open and non-discriminatory process to solicit carriers.

Under the program, DOT may facilitate service by:

- (A) working with airports and air carriers to ensure that appropriate facilities are available at essential airports (defined as a major hub airport);
- (B) collect data on air carrier service to small communities; and
- (C) provide policy recommendations to stimulate air service.

The Act would also establish a pilot program to fund contract control towers in 20 communities, through cost sharing between the FAA and the local community.

AIR TRAFFIC CONTROL SERVICES PILOT PROGRAM FOR SMALL COMMUNITIES.

The Act establishes a pilot program for Level I air traffic control services at 20 facilities not eligible to participate in the Federal Contract Tower Program for communities willing to fund a pro rata share of construction costs for an air traffic control tower. The Federal share of the construction costs will not exceed \$1 million.

REVIEW MARKETING PRACTICES.

The Act requires DOT to conduct a review, and to promulgate regulations, on the marketing practices of air carriers that may inhibit the availability of quality, affordable air service to small and medium-sized communities within 180 days of enactment.

NONDISCRIMINATORY INTERLINE INTERCONNECTION REQUIREMENTS.

Carriers serving an "essential facility" (defined as a major hub airport in which one carrier has more than 50 percent of that hub's total annual enplanements) shall be required to provide interline agreements involving ticketing, baggage and ground handling, and terminal and gate access on a nondiscriminatory basis to another carrier serving a community selected for participation in the Small Community Air Service Development Program to that essential facility.

NORTH DAKOTA ROUTE ANALYSIS MODEL

Sample we use on airline proposals to see the route economics!

Fargo to and from Bismarck
 Other stop (City 3): DENVER

Passengers: (Assumes a 6 day/week Regional/Commuter schedule.)

Fargo	to and from	Bismarck
Annual-	5,000	Daily - 16
Fargo	to and from	DENVER
Annual-	32,000	Daily - 103
Bismarck	to and from	DENVER
Annual-	24,000	Daily - 77
Passenger Totals:		
Annual-	61,000	Daily - 196
Aircraft Stage Length (statute miles):		702

Aircraft Operational Data:

Aircraft	Aircraft Erosion Factor	Daily Round Trips	Schedule Erosion Factor	Passengers Per Flight	Average Load Factor
				Seg 1	Seg 2
BEECH 1900D	0.83	5	1.00	10	15 51.8%
BEECH 1900D	0.83	6	1.00	8	12 43.2%
CANADAIR RJ-200	0.98	2	1.00	29	44 58.1%
CANADAIR RJ-200	0.98	3	1.00	19	29 38.7%
B-7-200	1.00	1	0.65	39	58 35.4%
B-737-200	1.00	2	1.00	30	45 27.2%

Costs and Fares:

Aircraft	Direct & Indirect Costs	Pax Yield	Standard Industry Fare	Average Minimum Fare	Trip Required Time	Required Subsidy
				Seg 1	Seg 2	HRS / Flight
BEECH 1900D	\$2,072	\$0.263	\$202	\$77	\$118	2.8
BEECH 1900D	\$2,072	\$0.316	\$202	\$92	\$141	2.8
CANADAIR RJ-200	\$5,775	\$0.249	\$202	\$75	\$109	2.1
CANADAIR RJ-200	\$5,775	\$0.373	\$202	\$112	\$164	2.1
B-737-200	\$9,727	\$0.316	\$202	\$94	\$139	2.2
B-737-200	\$9,727	\$0.411	\$202	\$123	\$181	2.2

The following aircraft merit(s) additional analysis for the North Dakota State Aviation System Plan:

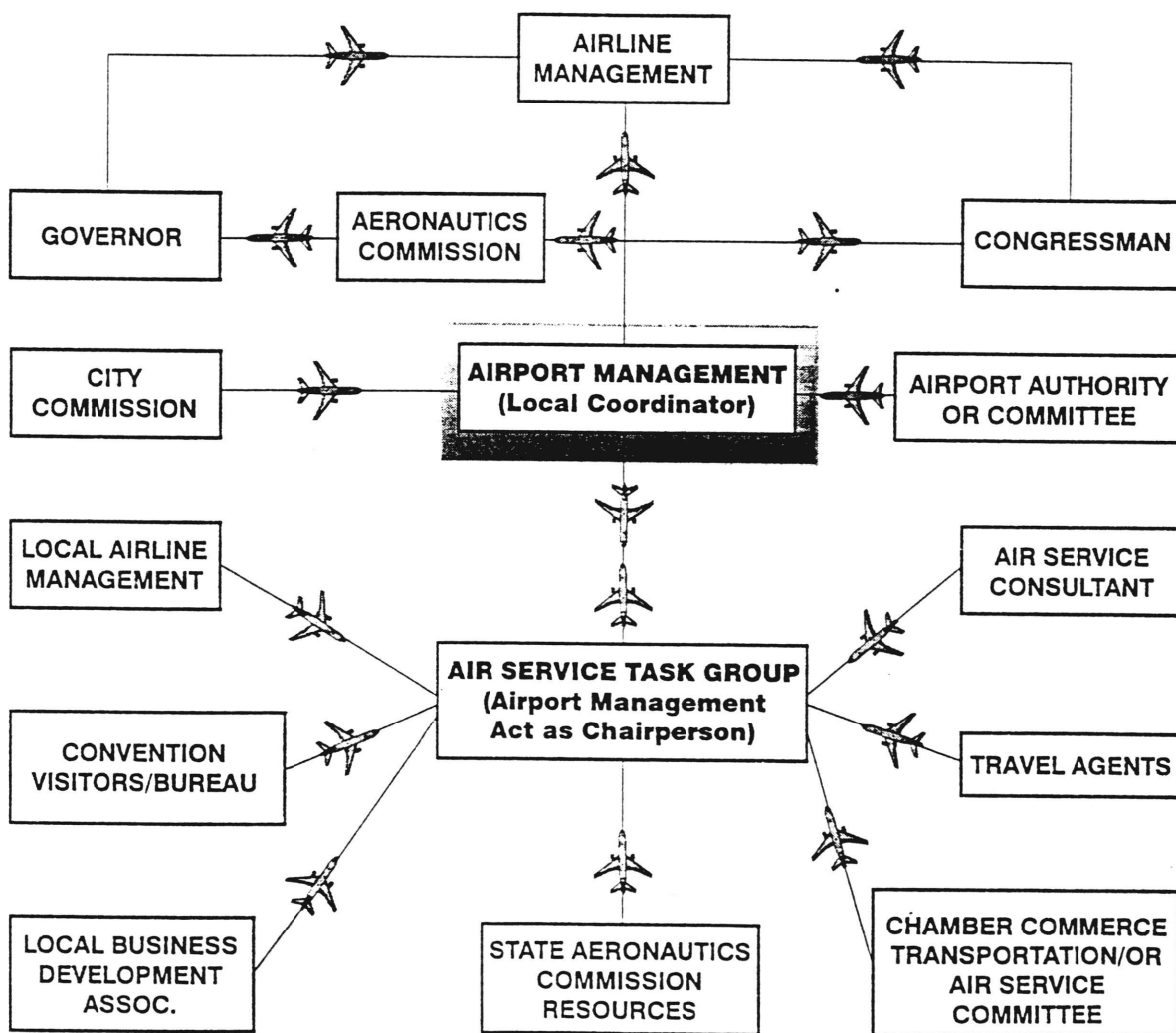
Aircraft	Average Minimum Fare	Daily Round Trips
	Seg 1	Seg 2
0	\$0	\$0
0	\$0	\$0

Date Filed: 12/23/96
 Time Filed: 04:34 PM



AIR SERVICE ACTION PLAN

COMMUNITY DRIVEN FOCUS





***Let us stick
our nose into your
business...***

**with great fares from
Bismarck to your next
business destination.**

***Minneapolis/St. Paul
\$198***

Based on round-trip, Saturday stay,
requires 14-day advanced purchase.
*\$350.00 no advanced purchase
required.

***Chicago
\$390***

Based on round-trip,
no advanced purchase
required.

***Los Angeles, Washington, D.C.,
Phoenix, Baltimore,
Ontario and Orange County, CA
\$650***

Based on round-trip, no advanced purchase required.

***Dallas/Fort Worth
\$500***

Based on round-trip,
no advanced purchase required.

Fly North Dakota

**“Fly North Dakota” applies to travel to and from Bismarck,
so tell your out-of state clients that they can save too with our
great fares for the business traveler.**

Fares are subject to airlines terms and conditions.
Call your travel agent for details.