



Order 2004-3-8

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

Issued by the Department of Transportation
on the 11th day of March, 2004

Ninety-day notice of intent of

Served: March 16, 2004

**SHUTTLE AMERICA CORPORATION
d/b/a US Airways Express**

DOCKET OST-2004-17009

to terminate service at Bedford, Massachusetts,
under 49 U.S.C. 41731 *et seq.*

ORDER ALLOWING SUSPENSION OF SERVICE

Summary

By this order, the Department is allowing Shuttle America Corporation, d/b/a US Airways Express (Shuttle America), to suspend its scheduled service at Bedford, Massachusetts, effective May 31, 2004.

Background

On January 30, 2004, Shuttle America filed a 90-day notice of its intent to suspend service at Bedford effective May 31, 2004.¹ The carrier currently operates one daily round trip and four round trips on weekends between Bedford and Trenton using 34-seat SAAB 340 aircraft.

Decision

To ensure that EAS funds are spent prudently, Congress has established certain eligibility criteria. Under Public Law 106-69, the Department of Transportation and Related Agencies Appropriations Act of 2000, the Department is precluded from compensating a carrier for serving any community within 70 driving miles of a medium or large hub airport.² Bedford is 19 highway miles from Boston's Logan International Airport, a large hub and, thus, not eligible for subsidy under the Essential Air Service (EAS) program. Because we are unable to pay subsidy for Shuttle America's

¹ The carrier's original termination date was May 1, 2004. However, on February 11, the carrier submitted an amendment to its filing changing the termination date to May 31, 2004.

² Congress first imposed that eligibility standard in fiscal year 1992 appropriations language and repeated it every year through fiscal year 1999. Then, by P.L. 106-69, the Department of Transportation and Related Agencies Appropriations Act, 2000, Congress made it a permanent eligibility standard.

service, we cannot require it to continue service beyond the end of the 90-day notice period and will allow the carrier to terminate service May 31, 2004.

As a final matter, before suspending service, we expect Shuttle America to contact all passengers holding reservations for flights affected, to inform them of the suspension, and to secure alternate air transportation for such passengers or to provide a refund of the ticket price, without penalty, if requested.

This order is issued under authority delegated in 49 CFR 1.56a(f).

ACCORDINGLY,

1. We will take no action to prohibit Shuttle America Corporation, d/b/a US Airways Express, from suspending its scheduled service at Bedford, Massachusetts, and
2. We will serve a copy of this order on the parties listed in the Certificate of Service of Docket OST-2004-17009.

By:

KARAN K. BHATIA
Assistant Secretary for Aviation
and International Affairs

(SEAL)

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<http://dms.dot.gov>*