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Brad Stephens
Chief Executive Officer

PRIDE REFINING, INC.

RECEIVED
APR 30 2004
CITY MGR'S OFFICE

April 28, 2004

The Honorable Norman Y. Mineta
Secretary of Transportation
Department of Transportation
400 Seventh Street, SW
Washington, DC 20590

Re: City of Abilene's Application to DOT's FY04 Small Community Air Service Development Program

Dear Secretary Mineta:

I support the City of Abilene's request for a Small Community Air Service Development Program (SCASDP) grant to continue improving air service at Abilene Regional Airport for the benefit of west central Texans.

Abilene received $85,010 from the 2002 program, the smallest grant awarded to any community. That $8,010, combined with local funds, enabled the airport to create a formal Business Development Program which:

- Conducted an Air Service Study that defined our air service market and quantified market demand
- Secured a second air carrier to a second Texas hub - SkyWest Airlines operating as Continental Connection to Houston Intercontinental Airport
- Encouraged Abilene's two airlines – American and Continental – to provide low promotional fares

The results of these air service improvements were beneficial to Abilene area air travelers, and we indicated our support with a 46% increase in enplanements in the first six months of two-airline service.

Additionally, Abilene Regional Airport has been so successful that the Office of Aviation Analysis in the U.S. Department of Transportation uses us as a best practices model for other small U.S. airports.

To enable this, your approval of Abilene's FY04 grant proposal would fund a business plan that will further address service and fare deficiencies, including:

- Enhanced outreach to the citizens living in the rural areas of the airport's 32-county service area, including the formation of a Regional Air Service Advisory Council and proposed new regional shuttle service to the airport

- Formalizing a web-based Customer Knowledge Project to fully understand the air service needs and expectations of those citizens and their businesses
- Pursuit of more efficient service to our top western markets to better meet the demands of more than 50% of our passengers
- Expanding its Promotional Fare & Air Service E-mail Notification Program to include paid advertising
- Continuing its efforts to retain American Airlines, Continental Airlines, and SkyWest Airlines, including upgrade of aircraft from turboprops to regional jets

As a result, I respectfully request your favorable action on Abilene Regional Airport's grant application.

Sincerely,

Brad Stephens
Chief Executive Officer
Pride Refining, Inc.

cc: Mayor Grady Barr, City of Abilene, P.O. Box 60, Abilene, Texas 79604