



Order 2004-6-11

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

Issued by the Department of Transportation
on the 14th day of June, 2004

Essential Air Service at

READING, PENNSYLVANIA

under 49 U.S.C. 41731 *et seq.*

Served: June 17, 2004

DOCKET OST-2003-14942

ORDER ALLOWING SUSPENSION OF SERVICE

Summary

By this order, the Department is allowing Air Midwest, Inc. (Air Midwest), a wholly-owned subsidiary of Mesa Air Group, Inc., d/b/a US Airways Express, to suspend its scheduled service at Reading, Pennsylvania, at the end of the required 90-day notice period, on or after August 25, 2004.

Background

On April 11, 2003, Air Midwest filed a 90-day notice to reduce, but not terminate, service at Reading below the community's defined Essential Air Service (EAS) level. At that time, Air Midwest was the only carrier serving Reading and provided service to both Philadelphia and Pittsburgh. The Department issued Order 2003-5-34 allowing the requested reduction in the Reading-Philadelphia market at the end of the 90-day notice period, on or after July 8, 2003. As we noted in that order, Air Midwest would still be providing one daily nonstop round trip to Philadelphia. On June 13, 2003, the carrier filed a new 90-day to suspend Reading's remaining Philadelphia service entirely. (Air Midwest's level of service in the Reading-Pittsburgh market was not affected.) By Order 2003-7-20, the Department allowed Air Midwest to suspend its remaining service to Philadelphia on or after September 12, 2003. (See Appendix A for map.)

On May 27, 2004, Air Midwest filed a 90-day notice of its intent to suspend service at Reading after end of the notice period. The carrier, the only one providing service at Reading, currently operates three daily nonstop round trips between Reading and Pittsburgh using 19-seat Beech 1900 aircraft.

The Civil Aeronautics Board, by Order 83-3-15, March 2, 1983, defined Reading's EAS level as at least two nonstop round trips a day to Philadelphia.

Decision

As we pointed out in Order 2003-7-20, Reading's EAS determination calls for at least two daily nonstop round trips to Philadelphia in aircraft offering at least 62 seats each way each day. However, 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.¹ Reading is approximately 61 highway miles from Philadelphia International Airport, a large hub. Because we are prohibited from paying subsidy for Air Midwest's service, we cannot require it to continue its current service beyond the end of the 90-day notice period.

Although we have no authority to require Air Midwest to continue to serve Reading after August 25, we note that the community generated a total of 44,495 O&D passengers in 2002 and 33,934 in 2003. With such high traffic levels, we would encourage other carriers to examine the feasibility of providing service to the community.

As a final matter, before suspending service, we expect Air Midwest 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 Air Midwest, Inc., d/b/a US Airways Express, from suspending its scheduled service at Reading, Pennsylvania, on or after August 25, 2004;
2. This docket will remain open until further order of the Department; and

¹ Congress first imposed that eligibility standard in fiscal year 1990 appropriations language and reinstated it every year from fiscal year 1994 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.

3. We will serve a copy of this order on the Mayor and Airport Manager of Reading, and Air Midwest, Inc.

By:

KARAN K. BHATIA
Assistant Secretary for Aviation
and International Affairs

(SEAL)

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<http://dms.dot.gov>