



**Proposal for Subsidized Essential Air Service to St. Paul Island, Alaska**  
**Submitted by: Kenai Aviation Operations, LLC**  
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## 1. Introduction

Kenai Aviation is pleased to submit this Essential Air Service proposal for St. Paul Island (SNP), one of Alaska's most remote yet strategically vital communities. Located in the Bering Sea and home to a resilient population and key infrastructure, St. Paul relies heavily on reliable air transportation for access to medical services, government support, cargo, and family connections.

Kenai Aviation proposes a year-round, dependable twin-engine service to St. Paul that prioritizes **safety, weather resilience, and schedule reliability**. Our offering is grounded in multi-decade experience operating in Alaska's most weather-challenged environments and supported by modern technology, a multi-pilot flight model, and strategic route design.

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## 2. The Need for Essential Air Service to St. Paul Island

St. Paul is geographically remote at 260 miles off the mainland in the middle of the Bering Sea. This demands consistent, safe, and weather-resilient air service. The island is critical to Alaska's cultural, environmental, and economic fabric. Its population relies on air travel for:

- Access to medical care
- Transportation of perishable goods and supplies
- Educational access and government agency transport
- Support for cannery operations
- Mail and critical cargo

Service disruptions have a ripple effect: from delayed medical evacuations to stalled seafood shipments and school cancellations. Weather variability adds pressure to any EAS program; Kenai Aviation is positioned to **lead with reliability**.

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## 3. Strategic Importance of St. Paul and Bering Sea Operations

St. Paul is more than a remote village—it is a logistical and ecological outpost vital to multiple sectors:

- **Seafood industry:** St. Paul processes one of the highest volumes of crab and halibut in the region. Crews, technicians, and supply chain stakeholders require air access.
- **NOAA and scientific research:** The Pribilof Islands are critical bird and marine mammal habitats. Researchers depend on timely flights.
- **Military and federal services:** The Coast Guard and other federal agencies require dependable access for inspections and strategic planning.

EAS support here isn't just about passengers—it's about sustaining a critical Alaska outpost with national relevance.

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#### 4. Kenai Aviation's Qualifications and Safety Positioning

Kenai Aviation has over 60 years of experience in Alaska's harshest operational environments. Our value proposition to St. Paul includes:

- **Twin-engine, pressurized aircraft:** Beechcraft King Airs are ideally suited for over-water flights and runway conditions in the Bering Sea.
- **Modern avionics & satellite navigation:** In partnership with Flight Tech Engineering, Kenai has developed special approach procedures for difficult Alaskan fields
- **Proven cold weather operations:** We have successfully operated in arctic and subarctic airports similar to St. Paul in terrain and weather

We offer **a change in safety and reliability** over legacy or caravan-based carriers.

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#### 5. Proposed Service and Flight Options

In order to meet the requirements for Essential Air Service, Kenai Aviation proposes **daily round-trip service** to and from St. Paul Island.

**Aircraft:** Beechcraft Super King Air (9-passenger, pressurized, twin-engine)

**Flights Per Year (Round Trip):** 365

**Distance per Leg:** 667 nautical miles

**Time per Leg:** 2:45

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## 6. Requested Subsidy

	Year 1	Year 2	Total
Passenger Revenue	\$ 2,424,240	2,424,240	4,848,480
<b>Total Revenue</b>	<b>\$ 2,424,240</b>	<b>2,424,240</b>	<b>4,848,480</b>
Direct Expenses			
Pilot Wage & Benefit	\$ 509,600	535,080	1,044,680
Aircraft Fuel	\$ 859,950	900,900	1,760,850
Mechanics & Aircraft Parts	\$ 573,300	601,965	1,175,265
Insurance	\$ 150,000	172,500	322,500
Aircraft Engines & Reserves	\$ 546,000	546,000	1,092,000
Aircraft & Traffic Svc	\$ 5,893	5,893	11,786
<b>Total Direct Cost</b>	<b>\$ 2,644,743</b>	<b>2,762,338</b>	<b>5,407,081</b>
Indirect Cost			
Maintenance - Ground	\$ 290,716	290,716	581,432
Promotion & Sales	\$ 60,000	60,000	120,000
Asset Depreciation	\$ 373,500	373,500	747,000
Other Transport Related	\$ 12,000	12,360	24,360
Ownership & Equipment	\$ 630,000	630,000	1,260,000
Station Wage & Benefits	\$ 187,837	193,308	381,146
<b>Total Indirect Cost</b>	<b>\$ 1,554,053</b>	<b>1,559,884</b>	<b>3,113,938</b>
General & Administration	\$ 600,000	618,000	1,218,000
Total Expense	\$ 4,798,797	4,940,223	9,739,019
5% Margin	\$ 239,940	247,011	486,951
<b>Total Economic Cost</b>	<b>\$ 5,038,736</b>	<b>5,187,234</b>	<b>10,225,970</b>
<b>Requested Subsidy</b>	<b>\$ 2,614,496</b>	<b>2,762,994</b>	<b>5,377,490</b>
<b>Subsidy Per Flight</b>	<b>\$7,163</b>	<b>7,570</b>	

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## 7. Reliability in the Bering Sea Environment

Weather volatility is the single greatest threat to consistent service in the Bering Sea. Our proposal mitigates this risk through:

- **Twin-engine aircraft certified for overwater operation**
- **Backup aircraft availability** on the Kenai Peninsula for rapid substitution
- **Custom GPS-based approach procedures** in low visibility
- **Enhanced dispatch protocols** and safety margins for marine environments

We do not treat St. Paul as “just another rural airport”—we plan around its challenges as a priority.

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## 8. Marketing and Community Engagement Strategy

Kenai Aviation will implement a full-circle marketing and communication strategy:

- **In-Community Representation:** Part-time agent presence and direct phone support from our Alaska-based reservations team
- **Tourism Partnerships:** Work with birding and ecotourism groups to package flight + experience bundles
- **Seafood Industry Integration:** Direct engagement with processors and transporters to meet shipment scheduling needs
- **Government Coordination:** Travel scheduling aligned with health clinics, school year planning, and tribal events
- **Public Awareness:** Facebook updates tailored to the St. Paul audience

Our goal is to ensure not just passengers, but satisfaction and trust.

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## 9. Conclusion

St. Paul Island deserves a partner that can match its resilience and strategic importance with an air service that’s not just sufficient—but superior. Kenai Aviation brings multi-engine safety, a team of highly experienced Alaska operators, and our Alaska-specific commitment to the table.

With dependable aircraft, experienced crews, and a focus on community relationships, Kenai Aviation is not just proposing flights to St. Paul—we're proposing a long-term partnership in one of Alaska's most essential outposts.

We look forward to delivering reliable, high-quality service to St. Paul Island under the Essential Air Service program.

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