

# FRIEDMAN MEMORIAL AIRPORT



# PASSENGER DEMAND ANALYSIS

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**Mead  
& Hunt**

[AirService@meadhunt.com](mailto:AirService@meadhunt.com)

618.656.2848

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## INTRODUCTION

The constantly changing air transportation needs of communities and the dynamics of the airline industry create an on-going challenge for communities in the United States. Today, communities are faced with intense competition for air service. Following September 11, 2001, airlines, struggling to remain in business, reduced capacity nationwide and focused on the performance of the high density markets. Smaller communities experienced dramatic reductions in service; while, at the same time, airlines were phasing lower capacity aircraft out of their fleets. Now, these challenges have been further compounded by the fluctuating cost of fuel and the weak economy making service expansion and/or retention within markets like Sun Valley/Ketchum even more difficult.



The past 10 years illustrate the endemic volatility of the airline industry and why it continues to burden many communities. Using quality information is essential to: evaluate the needs of local air service markets, target realistic improvements, and understand the problems facing communities to effectively address their issues. Air traveler information has unique limitations that create a significant challenge for developing strategies to improve air service. In addition, airlines spend little time analyzing opportunities at small and non-hub markets which places the burden on communities to develop the information necessary to understand and support air service solutions. To that end, this *Passenger Demand Analysis* provides objective air traveler data that is compiled from industry accepted sources using standard methodologies. Accordingly, airlines accept data included in the *Passenger Demand Analysis* as credible base information for air service forecasts. This *Passenger Demand Analysis* represents a continuing effort by Friedman Memorial Airport's (SUN) management to evaluate the travel habits of catchment area residents. This report reviews scheduled commercial air service potential and does not include information on general aviation activity.



## OBJECTIVES

The objective of the *Passenger Demand Analysis* is to develop information on the travel patterns of airline passengers in the SUN catchment area. The report provides an understanding of the air service situation at SUN and formulates strategies for improvement. This analysis examines:

- Airports used by air travelers
- Diversion of airline passenger traffic to competing airports
- An estimate of total airline passengers in the catchment area and related destinations
- Airlines used by SUN catchment area air travelers
- Average airfares
- Service levels at SUN and competing airports
- An assessment of the air service situation at SUN

## METHODOLOGY

The *Passenger Demand Analysis* combines Airline Reporting Corporation (ARC) ticketed data, Marketing Information Data Tapes (MIDT) data, and US Department of Transportation (DOT) airline data to provide a comprehensive overview of the air travel market. For the purposes of this study, ARC/MIDT data include tickets booked by travel agencies in the SUN catchment area as well as tickets booked via online travel agencies by passengers in the SUN catchment area. It does not capture tickets issued directly by airline Web sites (e.g., [www.aa.com](http://www.aa.com), [www.united.com](http://www.united.com)) or directly through airline reservation offices. The data used include tickets for the zip codes in the catchment area, NOT all tickets. As a result, MIDT/ARC data represent a sample to measure the air travel habits of catchment area air travelers. Note that traditional travel agent data is reported by the zip code of the travel agency. Online travel agent data (e.g. Expedia, Orbitz, and Travelocity) is reported by the customer zip code used to purchase the ticket.

Although limitations exist, MIDT/ARC data accurately portray the airline booking habits of a large cross-section of catchment area travelers making the data useful to both airports and airlines. A total of 7,786 tickets from the SUN catchment area were included in the *Passenger Demand Analysis* from September 2009 through October 2011 (ARC customer zip code data is only available back to September 2009). The MIDT/ARC data was adjusted to reflect tickets not captured from Southwest Airlines at Boise Airport (BOI).



## *EXECUTIVE SUMMARY*

### **AIRLINE BOOKINGS/CATCHMENT AREA**

The *Passenger Demand Analysis* includes 7,786 MIDT/ARC tickets from the SUN catchment area from September 2009 to October 2011. The catchment area has an estimated population of 24,858 and 11 zip codes. In addition to MIDT/ARC data, Diio Mi onboard, origin and destination, and schedule data is used.

### **DEPARTURES AND AVAILABLE SEATS**

Delta Air Lines and Alaska Airlines provided service to/from SUN during the 12 months ended June 30, 2011. Delta provided service to Salt Lake City International Airport (SLC) for the entire 12-month period. Alaska provided service for most of the 12 months to Los Angeles and Seattle and service to BOI for three of the 12 months. SUN's monthly departures peaked in July and August 2010 at 337 departures and had a 12-month low in November 2010 at 118 departures.

### **AIRPORT USE**

Twenty-eight percent of catchment area travelers used SUN, while 62 percent diverted to BOI, six percent used SLC, and four percent used other airports including Twin Falls, Pocatello and Idaho Falls.

### **DOMESTIC VERSUS INTERNATIONAL**

In a comparison of domestic versus international itineraries, 28 percent of domestic travelers and 15 percent of international travelers used SUN. A larger share of international travelers used BOI, 70 percent, than domestic travelers, 62 percent.

### **TRUE MARKET**

SUN's total air service market, called the true market, is estimated at 371,333 annual origin and destination passengers or 509 passengers daily each way. Domestic travelers accounted for 353,292 (95 percent) of the total true market. International travelers made up the remaining 18,041 passengers. International passengers made up approximately five percent of the total true market.

### **DOMESTIC DESTINATIONS**

Seventy-five percent of travelers were destined for one of the top 25 markets. Seattle was the number one destination with 19 percent of domestic passengers. SUN retained 26 percent of Seattle passengers. The next largest markets were Los Angeles, New York Kennedy, Salt Lake City, and Denver with retention of 37, 28, 82 and 15 percent, respectively. The top two markets had nonstop Alaska Airlines service.

### **INTERNATIONAL DESTINATIONS**

The top three international markets were: San Jose Cabo, Mexico; San Jose, Costa Rica; and Guadalajara, Mexico. SUN retained 11, 10, and zero percent, respectively.

### **REGIONAL DISTRIBUTION OF TRAVEL**

Thirty-two percent, 118,576 travelers, were traveling to the West region. An additional 31 percent of travelers were destined for the Northwest region followed by the East, Southeast, and Southwest regions. Retention was the highest in the West, Northwest, and Northeast regions at 30 percent or higher and lowest to international destinations. Of the five percent of international travelers, the top three international regions were Mexico and Central America, Europe, and Canada with respective retention rates of nine, 19, and 25 percent.

### **AIRLINES USED**

When using SUN (based on year ended June 30, 2011, US DOT data), catchment area travelers flew with Delta 66 percent of the time and Alaska 32 percent of the time. Diverting passenger carrier share was estimated using MIDT/ARC data (with adjustments for Southwest Airlines) as follows: Southwest 25 percent, Delta



22 percent, United Airlines/Continental Airlines 18 percent, Alaska 17 percent, US Airways eight percent, Frontier Airlines four percent and other airlines six percent. While Delta captures the majority of passengers at SUN, they capture a much lower share of diverting passengers due to Southwest's presence at BOI.

### PASSENGER ACTIVITY

From 2002 through 2011, origin and destination passengers (as reported by airlines to the US DOT) increased as follows:

- SUN's passengers increased at a compounded annual growth rate (CAGR) of 0.1 percent and ranged from 50,807 (2010) to 75,150 (2006).
- BOI's passengers increased at a CAGR of 0.9 percent.
- SLC's passengers increased at a CAGR of 1.5 percent.
- Since 2008, SUN's passengers decreased by a CAGR of 6.7 percent while BOI's and SLC's passenger declined at CAGRs of 6.0 and 3.3 percent respectively.

### DOMESTIC AIRFARES

For the year ended June 30, 2011, the one-way average domestic airfare for SUN was \$183. In a comparison of fares, SUN's fare was:

- \$31 higher than BOI
- \$16 higher than SLC
- Highest fare in 22 of the top 25 true markets
- \$100 higher in six markets including Washington-Dulles, Houston, Intercontinental, Sacramento, Detroit, New York LaGuardia, and Newark

### AVERAGE FARE TREND

Fare trends from 2002 through 2011 (12 months ended June 30) at SUN, BOI and SLC are summarized below:

- SUN fares increased at a CAGR of 1.1 percent, with the lowest fare in 2004 at \$156 and the highest fare in 2009 at \$195.
- BOI's fare increased at a CAGR of 3.7 percent. The fare spread between SUN and BOI has ranged from \$31 to \$64.
- SLC's fare increased at a CAGR of 3.1 percent. The fare spread between SUN and SLC has ranged from \$16 to \$51.

### NONSTOP SERVICE

In August 2010 and January 2011, SUN offered nonstop service to three destinations, Seattle, Los Angeles, and Salt Lake City. BOI had nonstop service to 12 and SLC had service to 23 of the top 25 destinations.

### AIR SERVICE OPPORTUNITIES

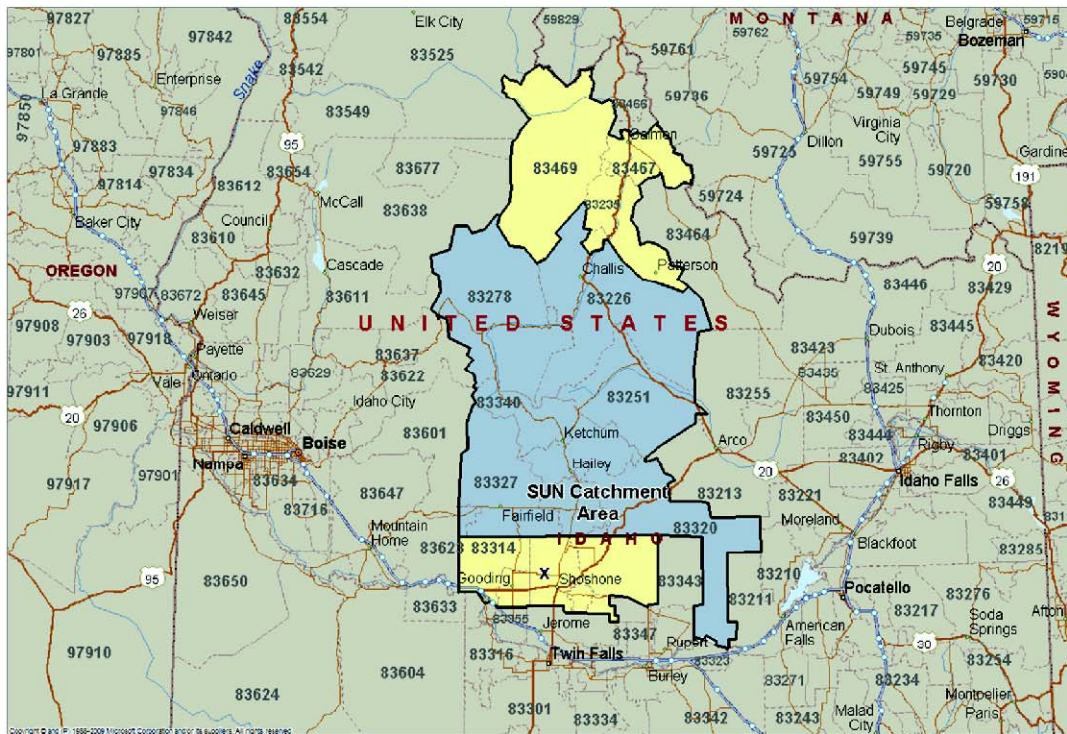
Aircraft options at SUN are limited to 19-, 30-, and 76-seat turboprop aircraft and the expected approval of Canadair Regional Jet 700 operations. Beyond the current SUN service, regional jet service to United Airlines' San Francisco and Denver hubs are promising opportunities.

1. The combined eastern connection potential via Denver in the top 25 markets is estimated to be 118 passengers daily each way.
2. San Francisco service, in addition to the Bay Area traffic, would potentially provide connecting opportunities in the Los Angeles, Orange County, San Diego, Sacramento and several eastern markets.

# AIRPORT USE

To understand airport use, it is important to understand the relative size of the catchment area, current air service, and enplanement activity. SUN's use was determined using MIDT/ARC data from September 2009 to October 2011 for the zip codes from the catchment area.

EXHIBIT 3.1 SUN CATCHMENT AREA



## AIRPORT CATCHMENT AREA

An airport catchment area, or service area, is a geographic area surrounding an airport where it can reasonably expect to draw passenger traffic and is representative of the local market. The catchment area contains the population of travelers who should use SUN considering the drive time from the catchment area to competing airports. This population of travelers is SUN's focus market for air service improvements and represents the majority of travelers using the local airport.

Exhibit 3.1 identifies the SUN catchment area in blue. It is comprised of 11 zip codes within the US with an estimated population of 24,858 (Source: US Census Bureau 2010). For zip codes in yellow, MIDT/ARC data was analyzed and based on the results were determined to not be in the SUN catchment area.

Sun Valley/Ketchum is approximately 90 miles from Twin Falls, 159 miles from Idaho Falls, 172 miles from BOI, 176 miles from Pocatello, and 298 miles to SLC. Table 3.1, next page, provides the estimated mileage from each of the zip codes in the SUN catchment area to SUN and surrounding airports.

### Two Airlines Served SUN

Alaska Airlines (seasonal) and Delta Air Lines (annual) provided service to SUN during the 12-month period.

In all of the catchment area zip codes, SUN is closer by drive miles than any other commercial service airport. The two closest zip codes to SUN are the 83313 and 83333 zip codes. The 83227 and 83278 zip codes are the furthest from SUN by approximately 100 miles or greater. A breakdown of airport use by community is provided in **Table 3.4**, page 10.

**TABLE 3.1 MILEAGE COMPARISON**

CATCHMENT AREA ZIP CODE	MILES TO:					
	SUN	BOI	SLC	TWF	IDA	PIH
83226	84	198	321	189	142	160
83227	111	166	341	209	162	179
83251	52	251	302	125	122	140
83278	99	138	390	173	210	228
83313	13	154	281	72	141	159
83320	34	165	298	82	118	136
83322	56	89	310	80	170	188
83327	36	102	301	80	161	179
83333	17	172	299	90	159	177
83340	33	189	315	106	175	193
83348	32	154	280	72	126	143

Source: Microsoft MapPoint 2010

### CURRENT AIR SERVICE

Catchment area airport use is affected by a variety of factors including: destinations offered, flight frequency, available seats, type of aircraft, airfares, and distance to a competing airport. **Table 3.2** provides SUN's monthly departures and seats for the 12 months ended June 30, 2011. Alaska Airlines and Delta Air Lines provided service to SUN during the 12-month period. Alaska provided service to BOI until September 2010 and provided service to Los Angeles and Seattle for the majority of the 12 months. Delta provided annual SLC service. Over the 12-month period, departures and seats peaked in July and August 2010 when Alaska served BOI nonstop. Departures and seats were lowest in November 2010 when SUN had only nonstop SLC service.

**TABLE 3.2 MONTHLY DEPARTURES AND SEATS**

DESTINATION	MARKETING CARRIER	SERVICE TYPE	CY 2010						CY 2011						
			JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
Boise, ID	Alaska	Departures	33	31	6										
		Seats	2,470	2,356	456										
Los Angeles, CA	Alaska	Departures	29	30	6			8	25	21	12		5	30	
		Seats	2,204	2,242	456			570	1,900	1,557	911		342	2,280	
Salt Lake City, UT	Delta	Departures	246	246	168	145	118	129	170	162	158	129	141	184	
		Seats	7,365	7,365	5,025	4,335	3,540	3,855	5,085	4,860	4,725	3,855	4,215	5,505	
Seattle, WA	Alaska	Departures	30	31	6			8	25	22	12		5	30	
		Seats	2,242	2,318	456			570	1,900	1,671	911		342	2,280	
<b>Total</b>		<b>Departures</b>	<b>337</b>	<b>337</b>	<b>186</b>	<b>145</b>	<b>118</b>	<b>144</b>	<b>220</b>	<b>205</b>	<b>182</b>	<b>129</b>	<b>150</b>	<b>244</b>	
		<b>Seats</b>	<b>14,281</b>	<b>14,281</b>	<b>6,393</b>	<b>4,335</b>	<b>3,540</b>	<b>4,995</b>	<b>8,885</b>	<b>8,088</b>	<b>6,547</b>	<b>3,855</b>	<b>4,899</b>	<b>10,065</b>	

Source: Diio Mi

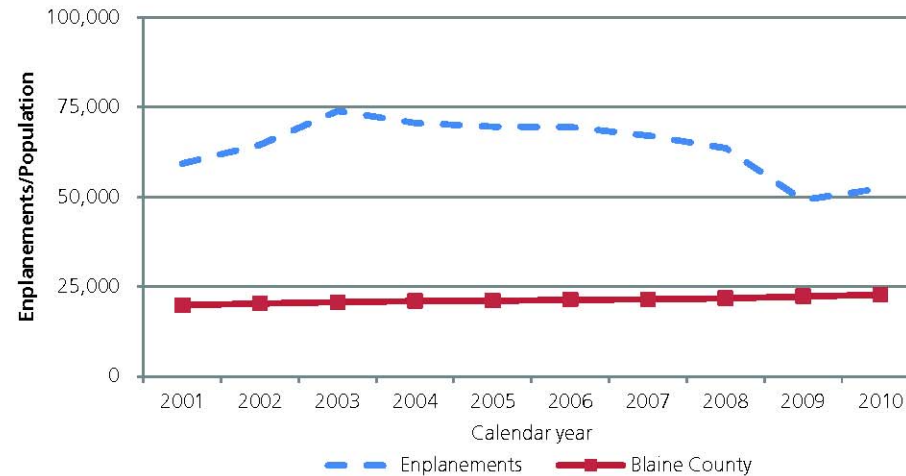




## ENPLANEMENTS AND POPULATION TRENDS

**Exhibit 3.2** plots enplanement and population trends at SUN from calendar year 2001 to 2010. Blaine County was used as a surrogate for the growth trend of the SUN catchment area population. Over the 10-year period, the population grew from 19,798 to 22,740 increasing at a compounded annual growth rate (CAGR) of 1.6 percent. This compares to a CAGR of 2.9 percent for the Boise-Nampa Valley Metropolitan Statistical Area (MSA), and 2.9 percent for the state of Idaho. Enplanements (excluding charters and non-revenue passengers) decreased at a CAGR of 1.4 percent from 59,253 in 2001 to 52,335 in 2010. Enplanements peaked in 2003 at 73,883 and hit a 10-year low in 2009 at 49,080. Typically population growth drives enplanement growth. In leisure markets, however, there is less correlation between population and enplanement trends due to the significant percentage of inbound travelers.

### EXHIBIT 3.2 ENPLANEMENTS AND POPULATION TRENDS



Source: SUN records (excludes non-revenue and charter enplanements); Woods & Poole Economics, Inc.

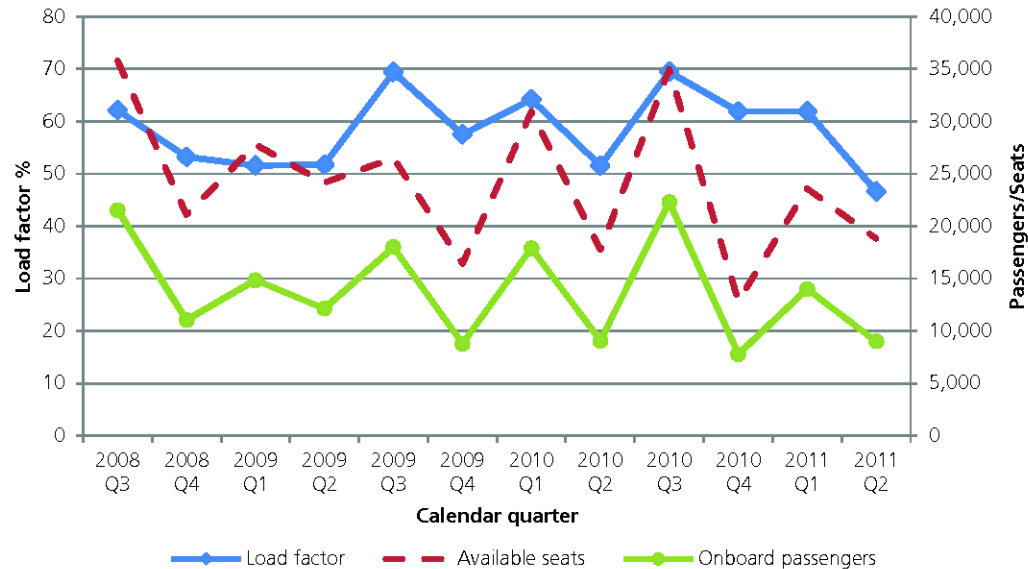
**Seasonal Trends**

Onboard passengers follow a similar trend as available seats, peaking in the first and third quarters of each year.

**LOAD FACTOR, AVAILABLE SEATS, AND PASSENGERS**

Exhibit 3.3 shows SUN’s available seats, onboard passengers, and load factors for arrivals and departures by quarter from the third quarter of 2008 through the second quarter of 2011. Load factors hit a 12-quarter low in the second quarter of 2011 at 47 percent. Over the three-year period load factors have varied between a low of 47 percent in the second quarter of 2011, a seasonally low period for the airport, and a high of 69 percent in the third quarter of 2010. While load factors have recently dipped, they have generally fallen between 60 to 70 percent since the second quarter of 2009. Onboard passengers reached a low of 7,772 in the fourth quarter of 2010 and a high of 22,286 in the third quarter of 2010. Capacity reached a low of 12,870 in the fourth quarter of 2010, similar to onboard passengers, with seats reaching a high of 35,775 in the third quarter of 2008. Onboard passengers have followed a similar trend as available seats over the time period analyzed.

**EXHIBIT 3.3 LOAD FACTOR, AVAILABLE SEATS, AND ONBOARD PASSENGERS**



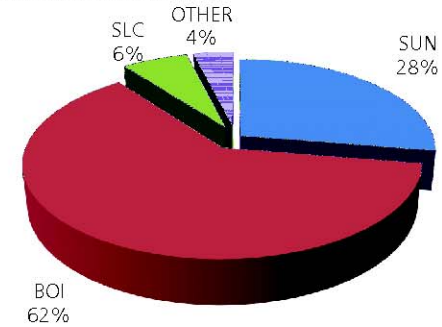
### AIRPORT USE

**Exhibit 3.4** provides a graph depiction of the airports used by SUN catchment area travelers. An estimated 28 percent of the catchment area’s air travelers use SUN for their air travel to and from the catchment area; 62 percent of catchment area travelers diverted to BOI, six percent to SLC, and four percent to other airports including Twin Falls, Pocatello, and Idaho Falls.

### DOMESTIC AND INTERNATIONAL ITINERARIES

**Table 3.3** shows passengers by domestic and international itineraries. Twenty-eight percent, or 99,835 domestic travelers, and 15 percent, or 2,639 international travelers, used SUN. Overall, SUN retained 28 percent or 102,474 of the estimated total 371,333 annual domestic and international catchment area passengers. BOI served the majority of diverting passengers and to a lesser extent SLC. Overall, BOI served 62 percent of the market’s traffic and SLC served six percent. BOI was the primary choice of travelers flying internationally with 70 percent of all international travelers. A higher share of international travelers used SLC compared to domestic travelers.

**EXHIBIT 3.4 AIRPORT USE**



**TABLE 3.3 AIRPORT USE - DOMESTIC VERSUS INTERNATIONAL**

RANK	ORIGINATING AIRPORT	PAX	PDEW	%
<b>Domestic</b>				
1	BOI	217,552	298.0	62
2	SUN	99,835	136.8	28
3	SLC	21,542	29.5	6
4	Other	14,363	19.7	4
<b>Subtotal</b>		<b>353,292</b>	<b>484.0</b>	<b>100</b>
<b>International</b>				
1	BOI	12,681	17.4	70
2	SUN	2,639	3.6	15
3	SLC	2,540	3.5	14
4	Other	181	0.2	1
<b>Subtotal</b>		<b>18,041</b>	<b>24.7</b>	<b>100</b>
<b>Domestic and international</b>				
1	BOI	230,233	315.4	62
2	SUN	102,474	140.4	28
3	SLC	24,082	33.0	6
4	Other	14,544	19.9	4
<b>Total</b>		<b>371,333</b>	<b>508.7</b>	<b>100</b>

*Note: Other includes TWF, IDA, and PIH; PDEW = passengers daily each way*



### AIRPORT USE BY COMMUNITY

Airport retention rates by community are an important aspect to understanding the overall SUN catchment area. **Table 3.4** shows how retention varies among the local communities within it. While ARC tickets reflect the zip code of the customer purchasing the ticket, MIDT reflect the travel agency’s zip code. For those traditional travel agency tickets, this analysis assumes that the traveler’s residence is in the same community as the travel agency where the ticket was purchased.

The highest retention by community for SUN was in the Ketchum community with 44 percent retention. The Challis, Clayton, and Picabo communities had the lowest retention with SUN retaining none of the air travelers in those communities. BOI had the highest share of passengers, greater than 90 percent, in the Fairfield and Picabo communities and the lowest share, less than 50 percent, in the Ketchum and Mackay communities. SLC garnered its highest retention rate amongst the Mackay community with 38 percent.

**TABLE 3.4 AIRPORT USE BY COMMUNITY**

COMMUNITY	% AIRPORT USE			
	SUN	BOI	SLC	OTHER
Bellevue	23	68	6	2
Carey	10	78	4	8
Challis	0	72	13	15
Clayton	0	88	8	4
Corral	18	82	0	0
Fairfield	5	94	0	1
Hailey	28	63	5	4
Ketchum	44	44	8	4
Mackay	1	39	38	22
Picabo	0	97	3	0
Stanley	8	79	12	0
<b>Total</b>	<b>28</b>	<b>62</b>	<b>6</b>	<b>4</b>



## TRUE MARKET

The true market portion of the *Passenger Demand Analysis* estimates the total number of passengers in the catchment area. This section investigates destinations associated with travel to and from the catchment area. In addition, destinations are grouped into geographic regions to further understand the flow of air travel.



### TRUE MARKET ESTIMATE

The airport catchment area (**Exhibit 3.1**, page 5) represents the geographic area from which the airport primarily attracts air travelers. Domestic airlines report origin and destination traffic statistics to the US DOT on a quarterly basis. Used by itself, these traffic statistics do not quantify the total size of an air service market. By combining MIDT/ARC information with passenger data contained in the US DOT airline reports, an estimate of the total air travel market by destination was calculated. Passenger numbers are estimated for domestic and international markets on a destination and regional basis.

The MIDT/ARC data used in this report includes information on initiated passengers. This enables the identification of passenger retention and diversion. According to US DOT airline reports for year ended June 30, 2011, **28 percent of SUN origin and destination passengers initiated air travel from SUN**, and the other 72 percent began their trip from another city (e.g. Seattle, Los Angeles, and Denver). **For the purposes of this analysis, it is assumed that travel patterns for SUN visitors mirror catchment area passengers.**

**Seattle Is SUN's Largest Market**  
 Seattle was the largest market with 65,845 annual passengers followed by Los Angeles, New York-Kennedy, Salt Lake City, and Denver.

**TOP 25 TRUE MARKET DESTINATIONS**

The top 25 destinations for SUN account for 75 percent of the travel to/from the SUN catchment area. Seattle was the largest market with 65,845 annual passengers resulting in 90.2 passengers daily each way and accounted for 19 percent of domestic travel. Los Angeles, New York-Kennedy, Salt Lake City, and Denver made up the remaining top five markets with total annual estimated traffic of 44,837, 18,077, 14,158, and 13,723 passengers, respectively. SUN had at least seasonal service to the top two markets.

**TABLE 4.1 TRUE MARKET ESTIMATE - TOP 25 DESTINATIONS**

RANK	DESTINATION	SUN O&D PAX	DIVERTED PAX	TRUE MARKET	PDEW
1	Seattle, WA	17,006	48,840	65,845	90.2
2	Los Angeles, CA	16,446	28,391	44,837	61.4
3	New York, NY (JFK)	4,995	13,082	18,077	24.8
4	Salt Lake City, UT	11,674	2,483	14,158	19.4
5	Denver, CO	2,081	11,642	13,723	18.8
6	Portland, OR	2,084	11,421	13,505	18.5
7	Oakland, CA	2,050	9,050	11,101	15.2
8	Phoenix, AZ (PHX)	1,587	8,858	10,445	14.3
9	San Francisco, CA	3,363	4,720	8,083	11.1
10	Philadelphia, PA	735	6,548	7,283	10.0
11	Washington, DC (IAD)	625	6,527	7,152	9.8
12	Orange County, CA	2,389	4,225	6,614	9.1
13	Houston, TX (IAH)	708	5,803	6,511	8.9
14	San Diego, CA	1,893	4,565	6,458	8.8
15	Dallas, TX (DFW)	1,638	3,472	5,109	7.0
16	Sacramento, CA	650	4,423	5,073	6.9
17	Boston, MA	2,084	2,461	4,545	6.2
18	Detroit, MI	524	3,948	4,472	6.1
19	Minneapolis, MN	980	2,906	3,886	5.3
20	New York, NY (LGA)	371	3,340	3,711	5.1
21	Orlando, FL (MCO)	621	3,030	3,651	5.0
22	Newark, NJ	1,400	2,240	3,639	5.0
23	Las Vegas, NV	733	2,664	3,397	4.7
24	Chicago, IL (ORD)	1,548	1,838	3,386	4.6
25	Anchorage, AK	603	2,714	3,317	4.5
<b>Top 25 destinations</b>		<b>78,788</b>	<b>199,191</b>	<b>277,979</b>	<b>380.8</b>
<b>Total domestic</b>		<b>99,835</b>	<b>253,457</b>	<b>353,292</b>	<b>484.0</b>
<b>Total international</b>		<b>2,639</b>	<b>15,402</b>	<b>18,041</b>	<b>24.7</b>
<b>All markets</b>		<b>102,474</b>	<b>268,859</b>	<b>371,333</b>	<b>508.7</b>



### ORIGINATING AIRPORT FOR THE TOP 25 DOMESTIC DESTINATIONS

**Table 4.2** shows the percentage of passengers by market and originating airport. Twenty-eight percent of passengers used SUN for travel to the top 25 markets, similar to the percentage that used SUN for all domestic markets. Several markets had retention of 35 percent or greater including: Los Angeles, Salt Lake City, San Francisco, Orange County, Boston, Newark and Chicago O’Hare. Nine markets had retention of 15 percent or less: Denver, Portland, Phoenix, Philadelphia, Washington-Dulles, Houston-Intercontinental, Sacramento, Detroit, and New York-LaGuardia. Retention is typically lower in markets where Southwest Airlines has a strong presence in BOI.

**TABLE 4.2 TOP 25 DOMESTIC DESTINATIONS BY ORIGINATING AIRPORT**

RANK	DESTINATION	ORIGIN AIRPORT %				TOTAL PAX
		SUN	BOI	SLC	OTHER	
1	Seattle, WA	26	73	1	0	65,845
2	Los Angeles, CA	37	55	7	2	44,837
3	New York, NY (JFK)	28	41	22	9	18,077
4	Salt Lake City, UT	82	11	0	7	14,158
5	Denver, CO	15	75	5	5	13,723
6	Portland, OR	15	82	2	1	13,505
7	Oakland, CA	18	76	0	5	11,101
8	Phoenix, AZ (PHX)	15	78	3	4	10,445
9	San Francisco, CA	42	48	7	4	8,083
10	Philadelphia, PA	10	75	9	6	7,283
11	Washington, DC (IAD)	9	79	3	10	7,152
12	Orange County, CA	36	49	4	11	6,614
13	Houston, TX (IAH)	11	65	22	2	6,511
14	San Diego, CA	29	57	7	7	6,458
15	Dallas, TX (DFW)	32	45	15	8	5,109
16	Sacramento, CA	13	77	6	4	5,073
17	Boston, MA	46	44	5	5	4,545
18	Detroit, MI	12	55	14	19	4,472
19	Minneapolis, MN	25	71	1	3	3,886
20	New York, NY (LGA)	10	87	3	0	3,711
21	Orlando, FL (MCO)	17	54	17	12	3,651
22	Newark, NJ	38	51	3	8	3,639
23	Las Vegas, NV	22	71	2	5	3,397
24	Chicago, IL (ORD)	46	32	18	4	3,386
25	Anchorage, AK	18	67	12	3	3,317
<b>Top 25 domestic</b>		<b>28</b>	<b>62</b>	<b>6</b>	<b>4</b>	<b>277,979</b>
<b>Total domestic</b>		<b>28</b>	<b>62</b>	<b>6</b>	<b>4</b>	<b>353,292</b>

### Top Markets at SUN

The top three markets for passengers flying out of SUN were Seattle, Los Angeles, and Salt Lake City. The top three markets at BOI were Seattle, Los Angeles, and Portland.

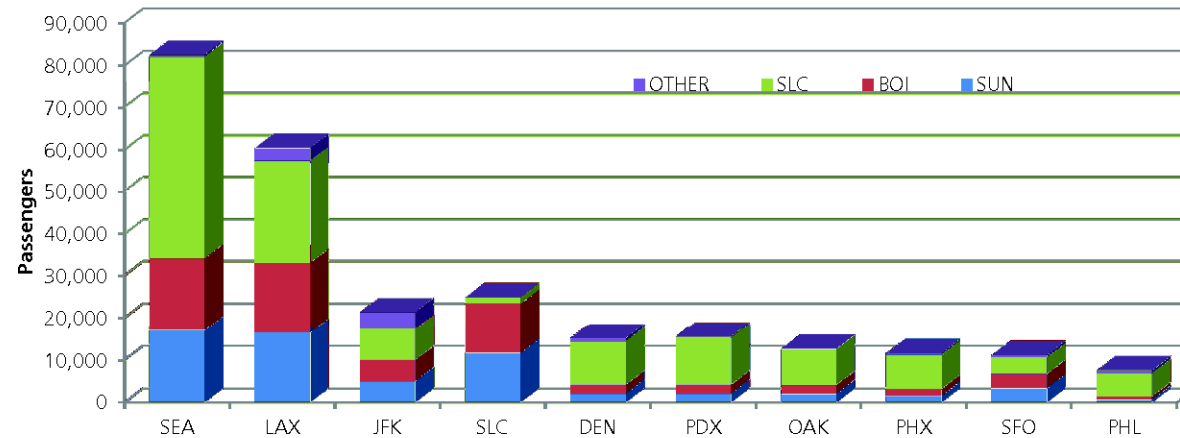
### TOP 10 DOMESTIC DESTINATIONS BY ORIGINATING AIRPORT

**Table 4.3** shows the top 10 markets for SUN when passengers exclusively fly out of SUN as well as the top 10 markets for when passengers fly exclusively from BOI or SLC. The top three markets for passengers flying out of SUN were Seattle, Los Angeles, and Salt Lake City, all three markets that have seasonal or annual nonstop service. The top three markets for passengers diverting to BOI were Seattle, Los Angeles, and Portland, all markets with strong influence by Southwest Airlines. While SLC served a much lower percentage of travelers, the top 10 markets were included in **Table 4.3** for comparison purposes. **Exhibit 4.1** shows the top 10 markets overall and the percentage SUN, BOI and SLC received by market with a bar graph.

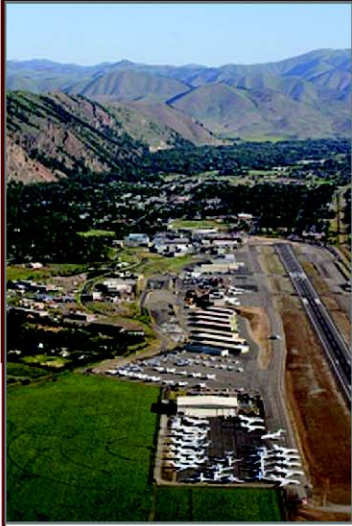
**TABLE 4.3 TOP 10 DESTINATIONS BY ORIGINATING AIRPORT**

RANK	SUN		BOI		SLC	
	DESTINATION	PAX	DESTINATION	PAX	DESTINATION	PAX
1	Seattle, WA	17,006	Seattle, WA	48,118	New York, NY (JFK)	4,044
2	Los Angeles, CA	16,446	Los Angeles, CA	24,503	Los Angeles, CA	2,990
3	Salt Lake City, UT	11,674	Portland, OR	11,116	Houston, TX (IAH)	1,415
4	New York, NY (JFK)	4,995	Denver, CO	10,289	Miami, FL	988
5	San Francisco, CA	3,363	Oakland, CA	8,484	Dallas, TX (DFW)	786
6	Orange County, CA	2,389	Phoenix, AZ (PHX)	8,099	Denver, CO	728
7	Boston, MA	2,084	New York, NY (JFK)	7,374	Philadelphia, PA	643
8	Portland, OR	2,084	Washington, DC (IAD)	5,621	San Jose, Costa Rica	640
9	Denver, CO	2,081	Philadelphia, PA	5,445	Detroit, MI	629
10	Oakland, CA	2,050	Houston, TX (IAH)	4,246	Orlando, FL (MCO)	621

**EXHIBIT 4.1 RETENTION AND DIVERSION FOR THE TOP 10 DESTINATIONS**







### ORIGINATING AIRPORT FOR THE TOP 15 INTERNATIONAL DESTINATIONS

**Table 4.4** shows the number of passengers daily each way for the top 15 international destinations by originating airport. Only the top 15 international destinations are shown since the smaller market sizes involved limited available data. Only 3.6 passengers daily each way are estimated to travel internationally from SUN. A higher number of passengers in the catchment area, 17.4 passengers daily each way, used BOI to travel internationally followed by 3.5 passengers daily each way that used SLC. The top five international markets included: San Jose Cabo, Mexico; San Jose, Costa Rica; Guadalajara, Mexico; Toronto, Canada; and Vancouver, Canada. Due to the limited data, average retention rates were applied in most international markets.

**TABLE 4.4 TOP 15 INTERNATIONAL DESTINATIONS BY ORIGINATING AIRPORT**

RANK	DESTINATION	PAX DAILY EACH WAY				TOTAL PAX
		SUN	BOI	SLC	OTHER	
1	San Jose Cabo, Mexico	0.3	2.1	0.2	0.0	1,856
2	San Jose, Costa Rica	0.2	1.0	0.9	0.0	1,483
3	Guadalajara, Mexico	0.0	1.7	0.1	0.0	1,273
4	Toronto, Canada	0.3	0.9	0.2	0.0	991
5	Vancouver, Canada	0.5	0.6	0.0	0.1	870
6	Zurich, Switzerland	0.1	0.5	0.1	0.0	533
7	Frankfurt, Germany	0.0	0.7	0.0	0.0	530
8	Buenos Aires, Argentina	0.1	0.4	0.1	0.0	492
9	Paris-De Gaulle, France	0.4	0.1	0.0	0.0	397
10	Mexico City, Mexico	0.0	0.4	0.0	0.0	365
11	Victoria, Canada	0.1	0.3	0.1	0.0	358
12	Calgary, Canada	0.1	0.3	0.1	0.0	353
13	Liberia, Costa Rica	0.1	0.3	0.1	0.0	338
14	Seoul, South Korea	0.0	0.4	0.0	0.0	307
15	Amsterdam, Netherlands	0.0	0.4	0.0	0.0	298
<b>Top 15 international</b>		<b>2.3</b>	<b>10.1</b>	<b>1.8</b>	<b>0.1</b>	<b>10,442</b>
<b>Total international</b>		<b>3.6</b>	<b>17.4</b>	<b>3.5</b>	<b>0.2</b>	<b>18,041</b>

### Airline Hubs for Regional Flow of Traffic

It is important to consider the catchment area's regional flow of traffic as most airline hubs are directional and flow passenger traffic to and from geographic regions.

### FEDERAL AVIATION ADMINISTRATION (FAA) GEOGRAPHIC REGIONS

It is important to identify and quantify air travel markets, but it is also important to measure air travel by specific geographic regions. Generally, airlines operate route systems that serve geographic areas. Additionally, most airline hubs are directional and flow passenger traffic to and from geographic regions, not just destinations within the region. Therefore, air service analysis exercises consider the regional flow of passenger traffic as well as passenger traffic to a specific city. Accordingly, this section analyzes the regional distribution of air travelers from the airport catchment area. For this exercise, the FAA geographic breakdown of the US is used (Exhibit 4.2).

EXHIBIT 4.2 FAA GEOGRAPHIC REGIONS



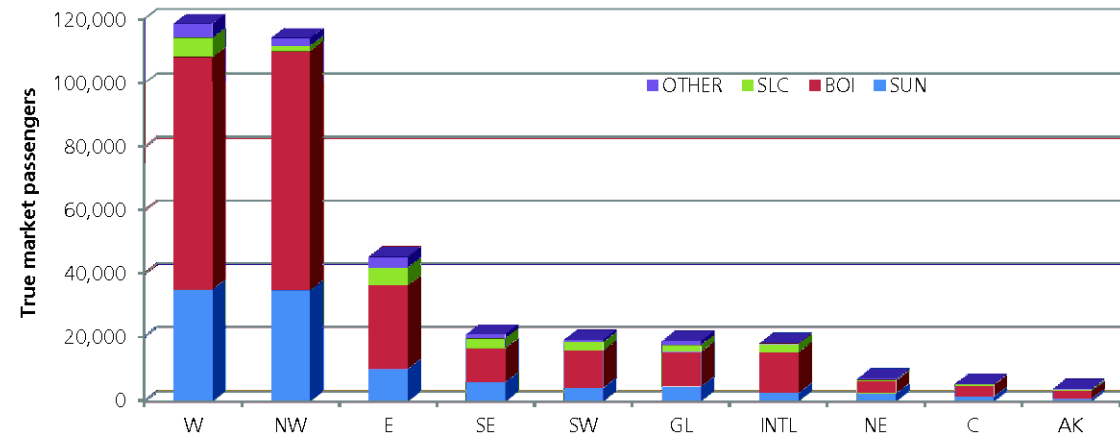
### REGIONAL DISTRIBUTION OF TRAVELERS

Table 4.5 and Exhibit 4.3 divide catchment area travel into the FAA's nine geographic regions and one catch-all international region. The West region is the largest traveled region for SUN catchment area passengers with 32 percent of the total followed closely by the Northwest region with 31 percent of total catchment area passengers. The East region and Southeast region followed with the third and fourth highest shares of 12 and six percent, respectively. SUN's retention was 30 percent or higher in the West, Northwest, and Northeast regions. SUN's retention was lowest to international destinations.

TABLE 4.5 REGIONAL DISTRIBUTION OF TRAVEL BY AIRPORT

AIRPORT	REGION											
	W	NW	E	SE	SW	GL	INTL	NE	C	AK	TOTAL	
<b>SUN Retention</b>	30	31	22	29	22	24	15	36	27	21	28	
<b>SUN</b>	Pax	35,127	34,956	10,118	6,035	4,203	4,577	2,639	2,548	1,454	817	102,474
	%	34	34	10	6	4	4	3	2	1	1	100
<b>BOI</b>	Pax	73,051	75,185	26,261	10,555	11,605	10,845	12,681	3,919	3,662	2,470	230,233
	%	32	33	11	5	5	5	6	2	2	1	100
<b>SLC</b>	Pax	5,967	1,561	5,589	3,042	2,540	2,009	2,540	286	111	437	24,082
	%	25	6	23	13	11	8	11	1	0	2	100
<b>OTHER</b>	Pax	4,432	2,482	3,340	1,296	808	1,302	181	332	240	131	14,544
	%	30	17	23	9	6	9	1	2	2	1	100
<b>Total</b>	Pax	118,576	114,183	45,307	20,928	19,156	18,734	18,041	7,084	5,468	3,855	371,333
	%	32	31	12	6	5	5	5	2	1	1	100

EXHIBIT 4.3 REGIONAL DISTRIBUTION OF TRAVEL



**Mexico and Central America was the Top International Region**

Mexico and Central America was the most frequented international destination with 36 percent, or 6,575 travelers. Europe was the second largest international region.

**DISTRIBUTION OF INTERNATIONAL TRAVEL**

Five percent of catchment area travelers had international itineraries. **Table 4.6** shows international travelers by airport and region. Mexico and Central America was the most frequented international destination with 36 percent, or 6,575 of the total 18,041 catchment area international travelers. Europe was the second largest international region with 23 percent, and Canada was the third largest international region with 18 percent. The remaining top international regions were, in order of greatest to least: Asia, South America, Caribbean, Africa, Australia and Oceania, and the Middle East. SUN had the highest retention to Canada and lowest retention to Asia, Australia and Oceania, and the Middle East. As stated previously, for international markets due to the limited data available, average retention rates were applied in many markets.

**TABLE 4.6 REGIONAL DISTRIBUTION OF INTERNATIONAL PASSENGERS**

REGION	ORIGINATING AIRPORT				TRUE MARKET	% OF COLUMN
	SUN	BOI	SLC	OTHER		
Mexico & Central America	9	74	17	0	6,575	36
Europe	19	69	11	1	4,180	23
Canada	25	62	10	3	3,246	18
Asia	3	77	19	1	1,410	8
South America	19	62	18	1	1,310	7
Caribbean	15	73	11	1	494	3
Africa	18	68	13	1	379	2
Australia & Oceania	0	100	0	0	276	2
Middle East	0	100	0	0	172	1
<b>Total passengers</b>	<b>15</b>	<b>70</b>	<b>14</b>	<b>1</b>	<b>18,041</b>	<b>100</b>



# AIRLINES

Information in this section identifies airline use by catchment area air travelers. The information is airport and airline specific. The intent is to determine which airlines are used to travel to specific destinations when air travel is accessed at an airport other than the local airport. The airline market share at SUN is based on US DOT airline reported data. Airline market share at diverting airports is based on MIDT/ARC data and is an estimation of carrier share.

## AIRLINES USED AT SUN

Table 5.1 provides the airline share for the top 25 true markets and total share by airline at SUN (based on US DOT airline data). Delta Air Lines had the largest share of catchment area passengers at 66 percent followed by Alaska Airlines with 32 percent. Alaska had higher shares in markets that they dominate including Seattle, Los Angeles, and Portland. The small number of tickets in the “other” category are due to codeshare relationships.

TABLE 5.1 AIRLINES USED AT SUN

RANK	TOP 25 TRUE MARKET DESTINATIONS	AIRLINE %			SUN PAX
		DL	AS	OTHER	
1	Seattle, WA	11	89	0	17,006
2	Los Angeles, CA	20	77	3	16,446
3	New York, NY (JFK)	99	0	1	2,081
4	Salt Lake City, UT	100	0	0	4,995
5	Denver, CO	99	0	1	2,084
6	Portland, OR	42	58	0	11,674
7	Oakland, CA	91	9	0	2,050
8	Phoenix, AZ (PHX)	91	4	5	1,893
9	San Francisco, CA	88	10	2	1,587
10	Philadelphia, PA	96	0	4	3,363
11	Washington, DC (IAD)	100	0	0	1,400
12	Orange County, CA	97	3	0	735
13	Houston, TX (IAH)	83	0	17	2,389
14	San Diego, CA	88	12	1	708
15	Dallas, TX (DFW)	83	3	14	621
16	Sacramento, CA	87	13	0	1,638
17	Boston, MA	98	1	1	2,084
18	Detroit, MI	94	4	2	733
19	Minneapolis, MN	97	3	0	703
20	New York, NY (LGA)	97	0	3	980
21	Orlando, FL (MCO)	95	2	3	1,548
22	Newark, NJ	96	2	2	650
23	Las Vegas, NV	100	0	0	405
24	Chicago, IL (ORD)	88	1	11	394
25	Anchorage, AK	15	80	5	524
<b>Total top 25</b>		<b>53</b>	<b>46</b>	<b>2</b>	<b>78,691</b>
<b>Total</b>		<b>66</b>	<b>32</b>	<b>3</b>	<b>102,474</b>



### AIRLINES USED AT BOI

Table 5.2 shows the airlines used when travelers from the catchment area used BOI for travel to the top 25 true markets (based on MIDT/ARC data). The MIDT/ARC data was adjusted to reflect tickets not captured from Southwest Airlines at BOI. Southwest had the largest share of catchment area passengers at BOI carrying 29 percent of diverting passengers. Alaska, United Airlines/Continental Airlines, Delta, US Airways, and Frontier Airlines were the other major airlines obtaining a notable share of diverting passengers with shares of 20 to four percent. Other airlines collectively flew four percent of BOI passengers.

TABLE 5.2 AIRLINES USED AT BOI

RANK	TOP 25 TRUE MARKET DESTINATIONS	AIRLINE %							BOI PAX
		WN	AS	UA/CO	DL	US	F9	OTHER	
1	Seattle, WA	35	57	3	3	0	0	0	48,118
2	Los Angeles, CA	27	13	34	2	6	0	17	24,503
3	New York, NY (JFK)	0	10	0	67	23	0	0	7,374
4	Salt Lake City, UT	39	3	6	49	2	0	1	1,497
5	Denver, CO	41	0	31	3	5	18	2	10,289
6	Portland, OR	42	45	1	11	2	0	0	11,116
7	Oakland, CA	85	3	0	9	3	0	0	8,484
8	Phoenix, AZ (PHX)	34	1	2	5	57	0	0	8,099
9	San Francisco, CA	0	4	68	9	13	0	6	3,852
10	Philadelphia, PA	18	0	12	42	26	2	0	5,445
11	Washington, DC (IAD)	18	0	61	21	0	0	0	5,621
12	Orange County, CA	40	2	5	52	2	0	0	3,238
13	Houston, TX (IAH)	0	0	53	33	3	10	0	4,246
14	San Diego, CA	56	2	9	24	4	1	3	3,675
15	Dallas, TX (DFW)	0	0	6	34	3	34	23	2,293
16	Sacramento, CA	19	62	13	6	0	0	0	3,917
17	Boston, MA	15	2	52	18	10	0	2	2,001
18	Detroit, MI	16	0	13	25	13	34	0	2,481
19	Minneapolis, MN	11	0	12	47	5	23	1	2,755
20	New York, NY (LGA)	0	0	54	33	10	4	0	3,217
21	Orlando, FL (MCO)	28	0	32	23	16	2	0	1,965
22	Newark, NJ	0	0	56	44	0	0	0	1,866
23	Las Vegas, NV	83	0	3	12	0	0	0	2,396
24	Chicago, IL (ORD)	0	3	48	16	26	0	6	1,096
25	Anchorage, AK	0	55	0	45	0	0	0	2,212
<b>Total top 25</b>		<b>31</b>	<b>24</b>	<b>17</b>	<b>15</b>	<b>8</b>	<b>3</b>	<b>3</b>	<b>171,758</b>
<b>Total</b>		<b>29</b>	<b>20</b>	<b>18</b>	<b>16</b>	<b>9</b>	<b>4</b>	<b>4</b>	<b>230,233</b>

**Southwest  
Captured Highest  
Share of Diverting  
Passengers**

Southwest captured 25 percent of catchment area travelers using an airport other than SUN followed by Delta (22 percent) and United/Continental (18 percent).

**AIRLINES USED AT ALL DIVERTING AIRPORTS**

Table 5.3 shows the airlines used when travelers from the catchment area used BOI, SLC, Twin Falls, Pocatello or Idaho Falls for travel to the top 25 true markets. Due to BOI serving the highest share of diverting passengers, the airline market shares are similar to that at just BOI. Southwest carried the highest share of diverting passengers with 25 percent, followed by Delta at 22 percent, United/Continental at 18 percent, and Alaska at 17 percent. No other airline carried more than 10 percent of diverting catchment area passengers.

**TABLE 5.3 AIRLINES USED AT ALL DIVERSION AIRPORTS**

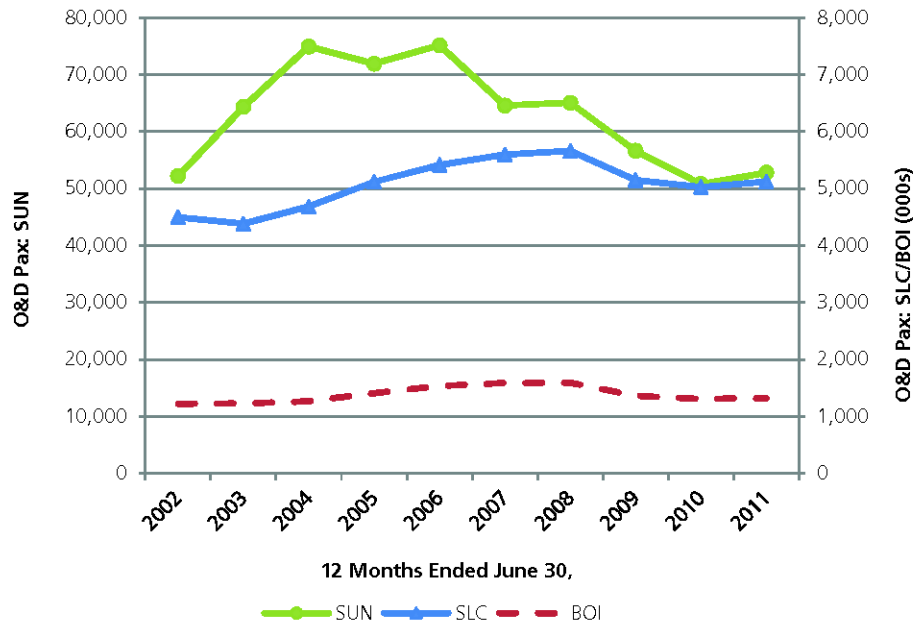
RANK	DESTINATIONS	AIRLINE %							OTHER AIRPORT PAX
		WN	DL	UA/CO	AS	US	F9	OTHER	
1	Seattle, WA	35	4	3	57	1	0	0	48,840
2	Los Angeles, CA	24	7	33	12	6	0	18	28,391
3	New York, NY (JFK)	0	67	0	6	17	0	11	13,082
4	Salt Lake City, UT	23	67	6	2	2	0	1	2,483
5	Denver, CO	37	9	30	0	5	17	2	11,642
6	Portland, OR	41	13	1	44	2	0	0	11,421
7	Oakland, CA	80	15	0	3	2	0	0	9,050
8	Phoenix, AZ (PHX)	31	12	2	1	54	0	0	8,858
9	San Francisco, CA	0	18	64	4	11	0	5	4,720
10	Philadelphia, PA	15	45	14	0	25	1	0	6,548
11	Washington, DC (IAD)	15	18	61	0	6	0	0	6,527
12	Orange County, CA	30	62	4	1	1	1	0	4,225
13	Houston, TX (IAH)	0	27	63	0	2	7	0	5,803
14	San Diego, CA	46	39	7	2	3	1	2	4,565
15	Dallas, TX (DFW)	0	32	4	0	2	25	38	3,472
16	Sacramento, CA	17	17	12	55	0	0	0	4,423
17	Boston, MA	12	34	41	2	8	0	3	2,461
18	Detroit, MI	10	53	8	0	8	21	0	3,948
19	Minneapolis, MN	10	48	12	0	5	23	1	2,906
20	New York, NY (LGA)	0	31	52	0	9	4	4	3,340
21	Orlando, FL (MCO)	18	47	23	0	10	1	0	3,030
22	Newark, NJ	0	50	45	0	5	0	0	2,240
23	Las Vegas, NV	75	21	3	0	0	0	0	2,664
24	Chicago, IL (ORD)	0	35	31	2	15	0	17	1,838
25	Anchorage, AK	0	52	4	44	0	0	0	2,714
<b>Total top 25</b>		<b>27</b>	<b>21</b>	<b>17</b>	<b>21</b>	<b>7</b>	<b>3</b>	<b>5</b>	<b>199,191</b>
<b>Total</b>		<b>25</b>	<b>22</b>	<b>18</b>	<b>17</b>	<b>8</b>	<b>4</b>	<b>6</b>	<b>268,859</b>

# FACTORS AFFECTING AIR SERVICE

## DEMAND AND RETENTION

This section examines several factors that have affected and will continue to affect air service demand in the SUN area and SUN’s ability to retain passengers. The factors affecting an airport’s ability to retain passengers included in this section are: airfares, travel time from competing airports, nonstop service availability at competing airports, and the quality and capacity of air service offered by competing airports.

EXHIBIT 6.1 PASSENGER TRENDS



### PASSENGER ACTIVITY COMPARISON

To better understand the changes in passenger volumes at SUN, BOI, and SLC, **Exhibit 6.1** provides a depiction of origin and destination passengers over the last 10 years for 12 months ended June 30 as reported to the US DOT. Passenger trends are summarized below:

- SUN’s passengers increased at a compounded annual growth rate (CAGR) of only 0.1 percent. SUN’s passengers ranged from 50,807 in 2010 to 75,150 passengers in 2006. Passengers peaked in 2006 but declined steadily thereafter.
- BOI’s passengers increased at a CAGR of 0.9 percent.
- SLC’s passengers increased at a CAGR of 1.5 percent.
- Since 2008, SUN’s passengers decreased by a CAGR of 6.7 percent while BOI’s and SLC’s passenger declined at CAGRs of 6.0 and 3.3 percent, respectively.

**Fare Disparity with BOI**

SUN's fare for the year ended June 30, 2011, was \$31 higher than BOI and \$16 higher than SLC. In individual markets, SUN had the highest fare in 22 of the top 25 markets.

**AIRFARES**

When a traveler decides which airport to access for travel, airfares play a large role. Airfares affect air service demand and an airport's ability to retain passengers. One-way airfares (excluding taxes and Passenger Facility Charges (PFC)) paid by travelers are used to measure the relative fare competitiveness between SUN, BOI, and SLC. Fares listed for competing airports are for all air travelers using competing airports and are not reflective of the average fare paid by catchment area travelers diverting to competing airports.

Table 6.1 shows one-way average airfares for the top 25 catchment area domestic destinations. Average airfares are a result of many factors including length of haul, availability of seats, business versus leisure fares, and airline competition. The overall average fare for the year ended June 30, 2011, at SUN was \$183, \$31 higher than BOI and \$16 higher than SLC. In individual markets, SUN had the highest fare in 22 of the top 25 markets.

**TABLE 6.1 US DOT AVERAGE DOMESTIC ONE-WAY FARES**

RANK	DESTINATION	DOMESTIC ONE-WAY FARE			DIFFERENCE
		SUN	BOI	SLC	
1	Seattle, WA	\$113	\$90	\$130	\$23
2	Los Angeles, CA	\$159	\$142	\$123	\$36
3	New York, NY (JFK)	\$308	\$210	\$209	\$99
4	Salt Lake City, UT	\$93	\$94	N/A	(\$1)
5	Denver, CO	\$140	\$112	\$89	\$50
6	Portland, OR	\$138	\$93	\$125	\$45
7	Oakland, CA	\$196	\$142	\$128	\$69
8	Phoenix, AZ (PHX)	\$160	\$139	\$124	\$36
9	San Francisco, CA	\$201	\$174	\$173	\$27
10	Philadelphia, PA	\$299	\$232	\$210	\$89
11	Washington, DC (IAD)	\$334	\$218	\$221	\$116
12	Orange County, CA	\$216	\$145	\$141	\$75
13	Houston, TX (IAH)	\$291	\$183	\$212	\$108
14	San Diego, CA	\$173	\$132	\$142	\$41
15	Dallas, TX (DFW)	\$276	\$183	\$190	\$93
16	Sacramento, CA	\$245	\$140	\$151	\$105
17	Boston, MA	\$268	\$243	\$236	\$32
18	Detroit, MI	\$308	\$197	\$211	\$111
19	Minneapolis, MN	\$223	\$191	\$202	\$32
20	New York, NY (LGA)	\$295	\$210	\$190	\$105
21	Orlando, FL (MCO)	\$171	\$191	\$178	(\$8)
22	Newark, NJ	\$351	\$243	\$246	\$108
23	Las Vegas, NV	\$193	\$123	\$97	\$95
24	Chicago, IL (ORD)	\$243	\$256	\$190	\$53
25	Anchorage, AK	\$199	\$240	\$275	(\$41)
<b>Average domestic fare</b>		<b>\$183</b>	<b>\$152</b>	<b>\$167</b>	<b>\$31</b>

Source: Diao Mi; Year Ended June 30, 2011

Note: Fares do not include taxes or Passenger Facility Charges

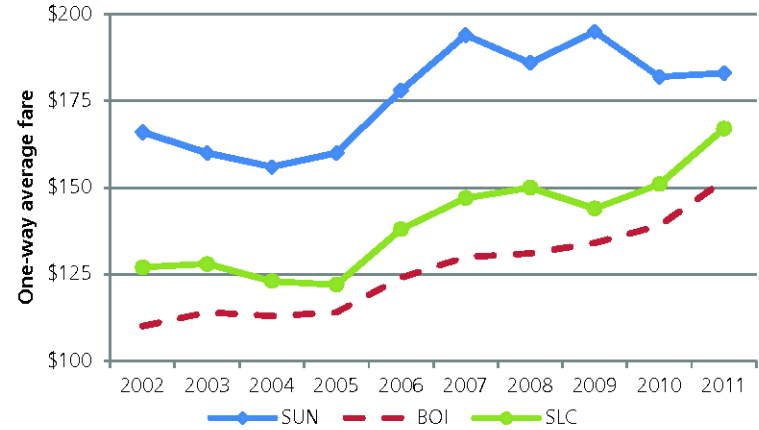


**Exhibit 6.2** tracks the average fares at SUN, BOI and SLC from 2002 through 2012. **Exhibit 6.3** charts the average fare for the airports adjusted for inflation (2002 dollars). Based on US DOT airline data from 2002 through 2011, average fares at SUN have ranged from \$156 (2004) to \$195 (2009). The average fare at BOI ranged from \$110 (2002) to \$152 (2011). SLC’s fares have ranged from \$122 (2005) to \$167 (2011). Overall, average domestic fares over the 10-year period increased at a CAGR of 1.1 percent at SUN compared to 3.7 percent at BOI and 3.1 percent at SLC.

The fare spread for year ended June 30, 2011, between SUN and BOI was \$31. This is down from \$43 in 2010. The lowest fare spread over the 10-year period was in 2011 and the highest was in 2007 when the fare spread hit \$64. In 2011 the fare differential between SUN and SLC was \$16, compared to \$31 in 2010. The narrowest gap between SUN and SLC was in 2011, while the largest was a difference of \$51 in 2009.

Adjusted for inflation, airfares at SUN decreased at a CAGR of 1.5 percent while inflation adjusted fares at BOI increased at a CAGR of 1.0 percent and 0.5 percent at SLC.

**EXHIBIT 6.2 10-YEAR AVERAGE DOMESTIC ONE-WAY FARE TREND (12 MONTHS ENDED JUNE 30)**



**EXHIBIT 6.3 10-YEAR AVERAGE DOMESTIC ONE-WAY FARE TREND (12 MONTHS ENDED JUNE 30; 2002 DOLLARS)**



### TRAVEL TIME COMPARISON

**Table 6.2** displays the overall flight time from SUN to the top 10 catchment area destinations that do not have nonstop service and require a connection. A comparison of the travel time from SUN with the amount of time it takes to drive to BOI and SLC and then use nonstop service is provided.

Accessible connecting flights from SUN require a minimum connecting time allowance of 30 minutes to be included in the comparison. The drive time from the Sun Valley/Ketchum community to BOI is estimated at two hours and 53 minutes which excludes heavy traffic and inclement weather (source: MapPoint). The drive time from the Sun Valley/Ketchum community to SLC is estimated at four hours and 40 minutes. Passengers will save time by flying from SUN and making a connection in all of the 10 markets without nonstop service from SUN. With the convenience of SUN, close-in parking, and minimal security lines, the time savings may be more favorable than represented in the table.



**TABLE 6.2 TRAVEL TIME COMPARISON (MINUTES)**

RANK	CONNECTING DESTINATIONS	SUN CONNECT	BOI NONSTOP	SLC NONSTOP	TIME SAVINGS
1	New York, NY (JFK)	390	N/A	535	145
2	Denver, CO	183	278	360	95
3	Portland, OR	170	243	390	73
4	Oakland, CA	226	273	395	47
5	Phoenix, AZ (PHX)	204	292	375	88
6	San Francisco, CA	221	275	397	54
7	Philadelphia, PA	376	N/A	541	165
8	Washington, DC (IAD)	368	N/A	526	158
9	Orange County, CA	216	N/A	392	176
10	Houston, TX (IAH)	295	N/A	455	160

*Note: Diio Mi; August 12, 2010*

**SUN had Nonstop Service to Three Top 25 Destinations**

In August 2010 and January 2011, SUN offered nonstop service to three of the top 25 catchment area destinations including: Seattle, Los Angeles, and Salt Lake City with 70 weekly frequencies in August and 60 weekly frequencies in January.

**NONSTOP SERVICE AVAILABILITY**

Travelers drive to competing airports to access air service for many reasons, one of which is nonstop service availability. **Table 6.3** compares the level of air service offered at SUN with that offered at BOI and SLC in August 2010 and January 2011.

In August 2010, SUN offered nonstop service to three of the top 25 catchment area destinations including: Seattle, Los Angeles, and Salt Lake City with 70 weekly frequencies. In January, SUN had service to the same three destinations but frequency was reduced to 60 weekly departures.

Comparatively, BOI had service to 12 of the top 25 markets with 363 flights per week in August and 327 weekly flights in January. SLC had service to 23 of the SUN top 25 markets and 95 markets overall in August and 88 overall in January with a reduction in weekly frequencies.

**TABLE 6.3 NONSTOP SERVICE COMPARISON**

RANK	DESTINATION	WEEKLY DEPARTURES					
		AUG 2010			JAN 2011		
		SUN	BOI	SLC	SUN	BOI	SLC
1	Seattle, WA	7	57	75	7	54	67
2	Los Angeles, CA	7	18	89	7	12	93
3	New York, NY (JFK)	0	0	35	0	0	34
4	Salt Lake City, UT	56	71	0	46	61	0
5	Denver, CO	0	69	198	0	53	176
6	Portland, OR	0	40	64	0	40	53
7	Oakland, CA	0	12	66	0	13	58
8	Phoenix, AZ (PHX)	0	14	127	0	14	121
9	San Francisco, CA	0	28	63	0	28	61
10	Philadelphia, PA	0	0	14	0	0	12
11	Washington, DC (IAD)	0	0	7	0	0	7
12	Orange County, CA	0	0	42	0	0	39
13	Houston, TX (IAH)	0	0	47	0	0	41
14	San Diego, CA	0	0	35	0	0	33
15	Dallas, TX (DFW)	0	0	68	0	0	61
16	Sacramento, CA	0	6	41	0	6	33
17	Boston, MA	0	0	14	0	0	12
18	Detroit, MI	0	0	28	0	0	28
19	Minneapolis, MN	0	21	42	0	20	36
20	New York, NY (LGA)	0	0	1	0	0	0
21	Orlando, FL (MCO)	0	0	14	0	0	12
22	Newark, NJ	0	0	14	0	0	12
23	Las Vegas, NV	0	14	102	0	14	96
24	Chicago, IL (ORD)	0	14	83	0	13	74
25	Anchorage, AK	0	0	14	0	0	7
<b>Total top 25 frequencies</b>		<b>70</b>	<b>363</b>	<b>1,281</b>	<b>60</b>	<b>327</b>	<b>1,166</b>
<b>Number of top 25 served</b>		<b>3</b>	<b>12</b>	<b>24</b>	<b>3</b>	<b>12</b>	<b>23</b>
<b>Total destinations served</b>		<b>4</b>	<b>19</b>	<b>95</b>	<b>3</b>	<b>16</b>	<b>88</b>

Source: Diio Mi

**QUALITY OF AIR SERVICE AT COMPETING AIRPORTS**

The quality of air service offered by an airport is a factor in a traveler’s decision when selecting where to originate or terminate air service. In general, passengers prefer larger aircraft over smaller aircraft and jet aircraft over turboprop aircraft. For the purposes of this section, quality of air service is measured by size of aircraft and jets versus turboprops.

**Table 6.4** provides SUN’s monthly departures by aircraft type for August 2010. Delta Air Lines provided 246 departures and 7,365 seats with 30-seat Embraer 120 turboprop aircraft. Alaska Airlines provided 91 departures and 6,916 seats with 76-seat Bombardier Q400 turboprop aircraft. SUN had a total of 337 departures and 14,281 available seats in August.

**Table 6.5** provides BOI’s departures by aircraft type. Southwest Airlines provided the largest percentage of departures and available seats with 530 departures (27 percent) and 72,610 seats (39 percent). Alaska followed with 25 percent of departures and 19 percent of seats. The remaining top five airlines providing service at BOI were United Airlines, Delta, US Airways, and Frontier Airlines.

SLC’s departures and seats are provided in **Table 6.6**. Delta provided the largest share of departures and the highest share of seats with 10,184 monthly departures and 880,587 monthly seats. Southwest and United/Continental Airlines provided a respective nine and five percent of SLC’s total departures and a respective 14 and four percent of the 1,164,923 seats.

**TABLE 6.4 SUN MONTHLY DEPARTURES AND SEATS**

AIRCRAFT TYPE	SEAT RANGE	MONTHLY DEPARTURES		
		DL	AS	TOTAL
Turbo	19-30	246	0	246
	71-100	0	91	91
<b>Total departures</b>		<b>246</b>	<b>91</b>	<b>337</b>
<b>% of total</b>		<b>73%</b>	<b>27%</b>	<b>100%</b>
<b>Total seats</b>		<b>7,365</b>	<b>6,916</b>	<b>14,281</b>
<b>% of total</b>		<b>52%</b>	<b>48%</b>	<b>100%</b>

Source: Diio Mi; August 2010

**TABLE 6.5 BOI MONTHLY DEPARTURES AND SEATS**

AIRCRAFT TYPE	SEAT RANGE	MONTHLY DEPARTURES							
		WN	AS	UA	DL	US	F9	OTHER	TOTAL
Turbo	<19							62	62
	71-100		397						397
Regional jet	30-50			292	11				303
	51-70		83	16	25				124
	71-100				211				211
Narrow body	85-125	530		60	33	62	61		746
	126-160			56	56				112
<b>Total departures</b>		<b>530</b>	<b>480</b>	<b>424</b>	<b>336</b>	<b>62</b>	<b>61</b>	<b>62</b>	<b>1,955</b>
<b>% of total</b>		<b>27%</b>	<b>25%</b>	<b>22%</b>	<b>17%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>100%</b>
<b>Total seats</b>		<b>72,610</b>	<b>35,982</b>	<b>30,584</b>	<b>30,818</b>	<b>7,688</b>	<b>6,685</b>	<b>496</b>	<b>184,863</b>
<b>% of total</b>		<b>39%</b>	<b>19%</b>	<b>17%</b>	<b>17%</b>	<b>4%</b>	<b>4%</b>	<b>0%</b>	<b>100%</b>

Source: Diio Mi; August 2010

**TABLE 6.6 SLC MONTHLY DEPARTURES AND SEATS**

AIRCRAFT TYPE	SEAT RANGE	MONTHLY DEPARTURES							
		DL	WN	UA/CO	AA	F9	US	B6	TOTAL
Turbo	19-30	1,129							1,129
Regional jet	30-50	3,384		235					3,619
	51-70	960		291	93	54			1,398
	71-100	1,714					4		1,718
Narrow body	85-125	500	1,191	48		115	151		2,005
	126-160	1,259		38	151			93	1,541
	>160	1,124							1,124
Wide body	200-225	31							31
	226-270	83							83
<b>Total departures</b>		<b>10,184</b>	<b>1,191</b>	<b>612</b>	<b>244</b>	<b>169</b>	<b>155</b>	<b>93</b>	<b>12,648</b>
<b>% of total</b>		<b>81%</b>	<b>9%</b>	<b>5%</b>	<b>2%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>	<b>100%</b>
<b>Total seats</b>		<b>880,587</b>	<b>162,267</b>	<b>42,646</b>	<b>27,650</b>	<b>18,745</b>	<b>19,078</b>	<b>13,950</b>	<b>1,164,923</b>
<b>% of total</b>		<b>76%</b>	<b>14%</b>	<b>4%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>1%</b>	<b>100%</b>

Source: Diio Mi; August 2010

**Retention Improvement**

A 10 percentage point increase in retention would create an estimated additional 37,133 annual passengers, 51 passengers daily each way, for SUN.

**RETENTION RATE SENSITIVITY**

Considering the previous factors of airfares, travel time, nonstop service, and quality of service, a retention rate sensitivity analysis follows in **Table 6.7**. The purpose is to show how small changes in passenger retention can affect passenger volume. Passengers in total and for each of the top 25 markets are calculated using varying degrees of retention. A 10 percentage point increase in retention would create an estimated additional 37,133 annual passengers or 51 passengers daily each way for SUN.

**TABLE 6.7 RETENTION RATE SENSITIVITY**

RANK	DESTINATION	SUN REPORTED PAX	RETENTION %	RETENTION IMPROVEMENT		
				5%	10%	15%
1	Seattle, WA	17,006	26	20,298	23,590	26,883
2	Los Angeles, CA	16,446	37	18,688	20,930	23,172
3	New York, NY (JFK)	4,995	28	5,899	6,803	7,707
4	Salt Lake City, UT	11,674	82	12,382	13,090	13,798
5	Denver, CO	2,081	15	2,767	3,453	4,139
6	Portland, OR	2,084	15	2,759	3,434	4,110
7	Oakland, CA	2,050	18	2,605	3,160	3,715
8	Phoenix, AZ (PHX)	1,587	15	2,109	2,631	3,153
9	San Francisco, CA	3,363	42	3,768	4,172	4,576
10	Philadelphia, PA	735	10	1,099	1,463	1,827
11	Washington, DC (IAD)	625	9	982	1,340	1,697
12	Orange County, CA	2,389	36	2,720	3,050	3,381
13	Houston, TX (IAH)	708	11	1,033	1,359	1,684
14	San Diego, CA	1,893	29	2,216	2,539	2,862
15	Dallas, TX (DFW)	1,638	32	1,893	2,148	2,404
16	Sacramento, CA	650	13	903	1,157	1,411
17	Boston, MA	2,084	46	2,312	2,539	2,766
18	Detroit, MI	524	12	748	971	1,195
19	Minneapolis, MN	980	25	1,175	1,369	1,563
20	New York, NY (LGA)	371	10	557	742	928
21	Orlando, FL (MCO)	621	17	804	986	1,169
22	Newark, NJ	1,400	38	1,582	1,764	1,946
23	Las Vegas, NV	733	22	903	1,073	1,243
24	Chicago, IL (ORD)	1,548	46	1,717	1,887	2,056
25	Anchorage, AK	603	18	769	935	1,101
<b>Total top 25</b>		<b>78,788</b>	<b>28</b>	<b>92,687</b>	<b>106,586</b>	<b>120,485</b>
<b>Total domestic</b>		<b>99,835</b>	<b>28</b>	<b>117,500</b>	<b>135,164</b>	<b>152,829</b>
<b>Total international</b>		<b>2,639</b>	<b>15</b>	<b>3,541</b>	<b>4,443</b>	<b>5,345</b>
<b>Total of all markets</b>		<b>102,474</b>	<b>28</b>	<b>121,041</b>	<b>139,607</b>	<b>158,174</b>



## *SITUATION ANALYSIS*

The SUN air travel market is primarily composed of second home owners from out of state and leisure travel visitors, particularly skiers. SUN's operating requirements limit the types of aircraft which can serve the airport and have impacted scheduled service. Scheduled flights are forced to divert to other airports with some degree of frequency particularly during the winter ski season. The combination of limited schedule frequency and seats and the flight diversion risk has resulted in a large portion of the SUN air travel market electing to book their travel through an alternate airport, primarily BOI approximately 145 miles away. While SUN average domestic fares at \$185 are \$31 higher than comparable BOI, fares are not thought to provide enough incentive to cause potential air travelers to endure the required 145-mile drive.



SUN has an estimated true market of 371,333 or 509 passengers daily each way. The following are notable individual market sizes:

- The combined Portland/Seattle market potential is the largest at 109 passengers daily each way reflecting the availability of Seattle nonstop service.
- The Los Angeles basin market including Los Angeles, Orange County, Long Beach, Burbank, and Ontario is the second largest with an estimated 78 passengers daily each way benefitting from the nonstop service to Los Angeles.
- The San Francisco Bay area market potential including San Francisco, Oakland, and San Jose is estimated at 30 passengers daily each way.
- The New York area including New York Kennedy, Newark, and New York La Guardia true market potential is estimated at 35 passengers daily each way.
- Denver is estimated at 19 passengers daily each way.



New SUN service opportunities must be compatible with aircraft capable of operating at the current airport. These aircraft consist of 19-, 30-, and 76-seat turboprop aircraft and the expected approval of Canadair Regional Jet 700 operations. Beyond the current SUN service, regional jet service to United Airlines' San Francisco and Denver hubs are promising opportunities.

1. In addition to the local Denver market potential (19 passengers daily each way), the combined connection potential via Denver is significant. However, since SUN eastbound service has been limited to 30-seat turboprop connections via Salt Lake City and little or no second homeowner traffic component is expected, additional marketing efforts may be needed to develop the estimated eastern market potential.
2. San Francisco service, in addition to the Bay Area traffic, would potentially provide connecting opportunities in the Los Angeles, Orange County, San Diego, Sacramento and several eastern markets.

## APPENDIX A. TOP 50 TRUE MARKETS

TABLE A.1 TOP 50 TRUE MARKETS

RANK	DESTINATION	SUN REPORTED PAX	RETEN- TION %	TRUE MARKET	PDEW	ORIGIN AIRPORT OF DIVERTING PAX		
						BOI	SLC	OTHER
1	Seattle, WA	17,006	26	65,845	90.2	48,118	412	309
2	Los Angeles, CA	16,446	37	44,837	61.4	24,503	2,990	897
3	New York, NY (JFK)	4,995	28	18,077	24.8	7,374	4,044	1,665
4	Salt Lake City, UT	11,674	82	14,158	19.4	1,497	0	987
5	Denver, CO	2,081	15	13,723	18.8	10,289	728	624
6	Portland, OR	2,084	15	13,505	18.5	11,116	203	102
7	Oakland, CA	2,050	18	11,101	15.2	8,484	0	566
8	Phoenix, AZ (PHX)	1,587	15	10,445	14.3	8,099	310	448
9	San Francisco, CA	3,363	42	8,083	11.1	3,852	542	325
10	Philadelphia, PA	735	10	7,283	10.0	5,445	643	459
11	Washington, DC (IAD)	625	9	7,152	9.8	5,621	181	725
12	Orange County, CA	2,389	36	6,614	9.1	3,238	260	727
13	Houston, TX (IAH)	708	11	6,511	8.9	4,246	1,415	142
14	San Diego, CA	1,893	29	6,458	8.8	3,675	445	445
15	Dallas, TX (DFW)	1,638	32	5,109	7.0	2,293	786	393
16	Sacramento, CA	650	13	5,073	6.9	3,917	289	217
17	Boston, MA	2,084	46	4,545	6.2	2,001	247	212
18	Detroit, MI	524	12	4,472	6.1	2,481	629	838
19	Minneapolis, MN	980	25	3,886	5.3	2,755	38	113
20	New York, NY (LGA)	371	10	3,711	5.1	3,217	124	0
21	Orlando, FL (MCO)	621	17	3,651	5.0	1,965	621	444
22	Newark, NJ	1,400	38	3,639	5.0	1,866	93	280
23	Las Vegas, NV	733	22	3,397	4.7	2,396	81	186
24	Chicago, IL (ORD)	1,548	46	3,386	4.6	1,096	613	129
25	Anchorage, AK	603	18	3,317	4.5	2,212	402	101
26	Spokane, WA	336	11	2,948	4.0	2,381	0	231
27	Honolulu, HI	293	11	2,709	3.7	2,123	293	0
28	Atlanta, GA	1,145	45	2,534	3.5	1,007	174	208
29	San Jose, CA	1,452	58	2,498	3.4	985	20	41
30	Burbank, CA	446	18	2,466	3.4	1,884	73	64
31	Reno, NV	405	17	2,449	3.4	1,928	29	87

TABLE A.1 TOP 50 TRUE MARKETS

RANK	DESTINATION	SUN REPORTED PAX	RETEN- TION %	TRUE MARKET	PDEW	ORIGIN AIRPORT OF DIVERTING PAX		
						BOI	SLC	OTHER
32	Austin, TX	432	18	2,422	3.3	1,866	0	123
33	Long Beach, CA	703	32	2,178	3.0	1,054	281	141
34	Kahului, HI	197	10	1,974	2.7	1,741	36	0
35	St. Louis, MO	537	28	1,937	2.7	1,284	38	77
36	San Jose Cabo, Mexico	206	11	1,856	2.5	1,521	129	0
37	Baltimore, MD	700	38	1,823	2.5	874	181	68
38	Chicago, IL (MDW)	0	0	1,780	2.4	1,335	445	0
39	Raleigh/Durham, NC	394	23	1,738	2.4	907	437	0
40	Omaha, NE	476	28	1,686	2.3	1,141	0	68
41	Fort Lauderdale, FL	415	25	1,674	2.3	1,132	64	64
42	Miami, FL	430	26	1,671	2.3	253	988	0
43	Nashville, TN	194	12	1,557	2.1	1,285	0	78
44	Palm Springs, CA	760	49	1,552	2.1	729	0	63
45	Kansas City, MO	300	20	1,493	2.0	1,067	50	75
46	San Jose, Costa Rica	148	10	1,483	2.0	694	640	0
47	Santa Barbara, CA	360	26	1,402	1.9	1,043	0	0
48	Albuquerque, NM	380	28	1,380	1.9	884	62	54
49	Washington, DC (DCA)	525	38	1,369	1.9	570	228	46
50	Tucson, AZ	378	29	1,320	1.8	826	62	54
<b>Top 50 destinations</b>		<b>90,402</b>	<b>28</b>	<b>325,878</b>	<b>446.4</b>	<b>202,273</b>	<b>20,328</b>	<b>12,875</b>
<b>Total domestic</b>		<b>99,835</b>	<b>28</b>	<b>353,292</b>	<b>484.0</b>	<b>217,552</b>	<b>21,542</b>	<b>14,363</b>
<b>Total international</b>		<b>2,639</b>	<b>15</b>	<b>18,042</b>	<b>24.7</b>	<b>12,681</b>	<b>2,540</b>	<b>181</b>
<b>Total all markets</b>		<b>102,474</b>	<b>28</b>	<b>371,333</b>	<b>508.7</b>	<b>230,233</b>	<b>24,082</b>	<b>14,544</b>

# APPENDIX B. GLOSSARY

## Airline codes

AA	American Airlines
AS	Alaska Airlines
B6	JetBlue Airways
CO	Continental Airlines
DL	Delta Air Lines
F9	Frontier Airlines
UA	United Airlines
US	US Airways
WN	Southwest Airlines

## Airport catchment area (ACA)

The geographic area surrounding an airport from which that airport can reasonably expect to draw passenger traffic. The airport catchment area is sometimes called the service area.

## Airport codes

BOI	Boise, ID
DCA	Washington-National, DC
DEN	Denver, CO
DFW	Dallas-Fort Worth, TX
IAD	Washington-Dulles, DC
IAH	Houston-Intercontinental, TX
IDA	Idaho Falls, ID
JFK	New York-Kennedy, NY
LAX	Los Angeles, CA
LGA	New York-La Guardia, NY
MCO	Orlando-International, FL
MDW	Chicago-Midway, IL

## Airport Codes (continued)

OAK	Oakland, CA
ORD	Chicago-O'Hare, IL
PDX	Portland, OR
PHL	Philadelphia, PA
PHX	Phoenix-Sky Harbor, AZ
PIH	Pocatello, ID
SAN	San Diego, CA
SEA	Seattle, WA
SFO	San Francisco, CA
SLC	Salt Lake City, UT
SUN	Sun Valley/Ketchum, ID
TWF	Twin Falls, ID

## ARC

Acronym for Airline Reporting Corporation.

## Average airfare

The average of the airfares reported by the airlines to the US DOT. The average airfare does not include taxes or passenger facility charges and represents one-half of a roundtrip ticket.

## CAGR

Abbreviation for compounded annual growth rate, or the average rate of growth per year over a given time period.

## Destination airport

Any airport where the air traveler spends four hours or more. This is the Federal Aviation Administration definition.

## Diversions

Passengers who do not use the local airport for air travel, but instead use a competing airport to originate the air portion of their trip.

## Enplanement

A passenger boarding a commercial aircraft.

## FAA

Acronym for the Federal Aviation Administration.

## Hub

An airport used by an airline as a transfer point to get passengers to their intended destination. It is part of a hub and spoke model, where travelers moving between airports not served by direct flights change planes en route to their destination. Also an airport classification system used by the FAA (e.g., non-hub, small hub, medium hub, and large hub).

## Initiated (origin) passengers

Origin and destination passengers who began their trip from within the catchment area.



**Load factor**

The percentage of airplane capacity that is used by passengers.

**Local market**

The number of air travelers who travel between two points via nonstop air service.

**MIDT**

Acronym for Marketing Information Data Tapes provided by the Global Distribution Systems.

**MSA**

Acronym for Metropolitan Statistical Area. MSAs have at least one urban cluster with a population of at least 50,000 plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

**Narrow-body jet**

A jet aircraft with a single aisle designed for seating over 100 passengers.

**Nonstop flight**

Air travel between two points without stopping at an intermediate airport.

**Onboard passengers**

The number of passengers transported on one flight segment.

**Origin and destination (O&D) passengers**

Includes all originating and destination passengers. In the context of this report, it describes the passengers arriving and departing an airport.

**Originating airport**

The airport used by an air traveler for the first enplanement of a commercial air flight.

**Passenger Facility Charge**

Fee imposed by airports of \$1 to \$4.50 on enplaning passengers. The fees are used by airports to fund FAA approved airport improvement projects.

**Pax**

Abbreviation for passengers.

**PDEW**

Abbreviation for passengers daily each way.

**Point-to-point**

Nonstop service that does not stop at an airline's hub and whose primary purpose is to carry local traffic rather than connecting traffic.

**Referred passengers**

Origin and destination passengers who began their trip from outside the catchment area.

**Regional jet**

A jet aircraft with a single aisle designed for seating fewer than 100 passengers.

**Retained passengers (retention)**

Passengers who use the local airport for air travel instead of using a competing airport to originate the air portion of their trip.

**Stimulated passengers**

Additional/"new" passengers that are generated by the introduction of service or by decreases in airfares not included in the true market.

**True market**

Total number of air travelers, including those who are using a competing airport, in the geographic area served by SUN. The true market estimate includes the size of the total market and for specific destinations.

**Turboprop aircraft**

A type of engine that uses a jet engine to turn a propeller. Turboprops are often used on regional and business aircraft because of their relative efficiency at speeds slower than, and altitudes lower than, those of a typical jet.

**US DOT**

Acronym for US Department of Transportation.

**Wide-body jet**

A jet aircraft with two aisles designed for seating greater than 175 passengers.



FOR MORE INFORMATION, PLEASE CONTACT  
MEAD & HUNT, INC. ■ 152 GINGER HILL COURT ■ GLEN CARBON, IL 62034  
618.656.2848 ■ [AIRSERVICE@MEADHUNT.COM](mailto:AIRSERVICE@MEADHUNT.COM) ■ [WWW.MEADHUNT.COM](http://WWW.MEADHUNT.COM)

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