

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

STATEWIDE AVIATION LEASING
DIVISION OF STATEWIDE AVIATION

SARAH PALIN, GOVERNOR

4111 AVIATION AVENUE
P.O. BOX 196900
ANCHORAGE, AK 99519-6900
(907) 269-0730 (907-269-0489)
(TTY 269-0473)

United States Senate
Committee on Commerce, Science
And Transportation
Subcommittee on Aviation

Testimony of John Torgerson
Deputy Commissioner of Aviation
Department of Transportation
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Good morning Mr. Chairman and committee members.

You have requested testimony on the U.S. Department of Transportation's Essential Air Service program and its effects on Alaska.

My name is John Torgerson, Deputy Commissioner of Aviation for the Alaska Department of Transportation. I have resided in Alaska since 1950 as a homesteader, rural resident, businessman, State Senator and now as the Deputy Commissioner of Aviation.

The size of Alaska is better understood if you were to fly from Washington, D.C., to San Diego, California, and then from Minneapolis, Minnesota, to Houston, Texas.

That distance crisscrossing America is actually less than if you flew across Alaska from east to west and north to south.

- Our capital Juneau is the only capital city in the United States accessible only by plane or boat.
- Twenty five percent of all Alaskans and 46 percent of Alaska Natives live in communities of less than 1,000 people.
- One-quarter of all Alaskans live in communities accessible only by boat or aircraft.
- There are only 4,732 miles of paved road in Alaska.

The State of Alaska owns and operates 258 airports ranging in class from the large international to the small rural community class. Of the airports, 47 are paved, 173 are gravel (or which 72 runways are less than 3,000 feet), 37 are seaplane facilities and 1 is a heliport. The airports operated by the State are truly essential because air travel is the primary means of transportation to these communities. Air travel is not a luxury in Alaska or a convenience; it is a critical transportation mode that provides basic day-to-day necessities.

GAO Findings

I would like to direct the balance of my testimony to the last GAO report on the Essential Air Service program. The GAO acknowledged the need to make “difficult decisions” to sustain the Essential Air Service program at current funding levels. The report outlined four specific recommendations, and I will address each of these recommendations separately.

1. Targeting more remote communities

Alaska communities receiving Essential Air Service are the most remote in the nation. Alaska has 40 communities receiving EAS. Of those 40, only six are connected to a road system. Of the six that are on the road system, all are more than 100 miles from a hub airport. Those 100 miles to the nearest hub airport are not on

an interstate highway or even a paved two-lane highway, but mainly narrow gravel roads.

Thirty-four of the communities receiving Essential Air Service subsidies in Alaska do not even have a gravel road. They are completely isolated from the road system, and rely on air travel as their primary means of transportation and access to basic services. In many of our rural communities, air transportation is the only viable method of connecting to the outside world. Alaska meets and exceeds the remoteness recommendations of the GAO report.

2. Match capacity (aircraft size) with community use

The concept of matching aircraft capacity with community use is exemplified in the type of aircraft utilized in Alaska. A 7-passenger Grumman Goose, an aircraft last manufactured in 1947, provides residents of Akutan in the eastern Aleutian Islands with regular Essential Air Service. Other communities rely on smaller aircraft such as Cessna 185s and Cessna 206s, capable of carrying just three to five passengers.

Only six of the 40 Alaska communities qualifying for EAS are served by jet aircraft. In these cases, jet service is justified by population, freight needs and the distance from medium-size hubs. For example, the island community of Adak has jet service to Anchorage 1,300 miles away. Not one of the six airports receiving jet service is connected to a road system. As already stated, the remaining communities are served by some of the smallest aircraft in commercial service. Alaska is already conforming to this recommendation of matching aircraft capacity to community use.

3. Consolidate multiple communities into regional airports

In Alaska, the idea of consolidating at regional airports or using the spoke-and-hub system is already in place. One-half of the EAS communities in Alaska are small, remote communities, with populations of less than 100 residents. Alaska's Essential Air Service subsidy already utilizes small carriers flying light aircraft to transport

passengers from these small rural communities to regional hub airports, where passengers can access basic services and links to the national transportation system.

4. Change to local grant program

The fourth recommendation is to change carrier subsidies to local grants. Of the 40 Alaska communities currently receiving Essential Air Service funding, only 11 have formed a municipal government. The majority of our communities receiving this service are not incorporated as a municipal entity that could apply for, administer or provide a local match, making this recommendation difficult to implement.

Alaskans believe the program is working well and request no change to the current funding method. We believe the current program is well administered by the United States Department of Transportation and works efficiently in Alaska.

Conclusion

Mr. Chairman, the Essential Air Service program has been very successful in Alaska. Over the past three years the funds allocated under this program to Alaska air carriers has increased less than the general rate of inflation -- despite much higher fuel costs, insurance rates and personnel costs. During this same period of time, the total number of passengers utilizing EAS in Alaska has increased. I believe this is because the Alaska program already utilizes the cost-saving measures recommended in the 2002 GAO report.

The Essential Air Service program provides a vital link to many Alaska communities that would otherwise not receive air service.

Thank you for allowing me to testify, and I would be happy to answer any questions that the committee might have.