



Todd M. Homan, Director
United States Department of Transportation
Office of Aviation Analysis
1200 New Jersey Ave SE
Washington, D.C. 20590

June 23, 2025

Re: Response to Order: 2025-5-9/Proposal to Provide Essential Air Service at Barkley Regional Airport

Via e-mail to: EAS@dot.gov and scott.faulk@dot.gov

Dear Mr. Homan,

Attached is Denver Air Connection's proposal to provide air service to the Barkley Regional Airport serving Paducah, Kentucky, to Chicago O'Hare and Hartsfield-Jackson Atlanta International Airports.

We look forward to the opportunity to support the transportation needs and economic growth of the region by providing safe and reliable scheduled passenger service.

Our reliable service will provide the community with options to access the world's most comprehensive route network of United, American, Delta, and other major carriers through the best route combination that meets the travel needs of passengers.

Our service is developed with airline schedules in mind to ensure seat availability and direct flights to and from these hub airports. The communities we serve praise our excellent completion and on-time performance rates.

As directed by the RFP, we will offer the PAH airport and community 12 round-trip flights per week, flown under the highest safety standards afforded via Part 121, in 50-seat Embraer 145s for a new four-year term.

We will work closely with local leadership to set the best possible schedule to maximize connection possibilities. Denver Air Connection believes this proposal meets the needs of the community and provides the best overall option for air service to the region.

Thank you for your consideration,

Marcus Hesting,
Director of Finance
Denver Air Connection
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Proposal to Provide Essential Air Service

Paducah, KY



Filed: June 23, 2025

**Via e-mail to: EAS@dot.gov and scott.faulk@dot.gov with the title
"Proposal to provide EAS to Paducah, Kentucky"**

Order: 2025-5-9

Served: May 20, 2025

Docket: DOT-OST-2009-0299

Under 49 U.S.C. § 4173I et seq.

27 Years Of Service



With its passenger service brand Denver Air Connection, Key Lime Air is a regional airline committed to advancing transportation equity and economic opportunity in partner communities. Since 1996, we have delivered safe, reliable air service to rural and emerging markets—ensuring connectivity and vital access to the national and global transportation network.

Operating under both 14 CFR Part 121 and Part 135, we offer solutions that align with federal and state transportation goals. Our flexible certifications allow us to serve communities of all sizes—from Essential Air Service (EAS) routes to specialized charter operations—ensuring efficient use of public funds while maximizing community impact.

Our mission is simple: To empower economic and community growth through transportation access. With a deep understanding of logistical and regulatory complexities of regional aviation, Key Lime Air is a proven partner in advancing public transportation infrastructure where it matters most.

We are excited for the opportunity to begin a new partnership with the Paducah community. Denver Air takes great pride in the service and relationships we develop with each of our communities. We love what we do, and our passion shows by providing an extraordinary experience for both passengers and the regions we serve with safe, reliable, and on-time airline service.

The growing list of communities we serve is a testament to the quality service offered by Denver Air Connection. Our partner communities praise our impressive on time performance rate and onboard experience

Safety+Skill = Reliability



Safety

Safety is at the core of Denver Air Connection's culture. We maintain a Safety Management System that is integrated into every aspect of our operation.

Skill

Denver Air Connection pilots and mechanics are trained to the highest standards in the world. Our pilot culture aspires to perfection on every flight.

Reliability

All aircraft are maintained in house under our FAA approved maintenance program. This in conjunction with our Part 145 Repair Station gives us the ability to maintain, inspect, and alter our aircraft and components at all levels. We pride ourselves on never leaving passengers stranded due to maintenance issues. Our communities know that we will use our fleet to bring maintenance to a location to fix an issue or send a replacement aircraft to get the passengers to their destination

Performance

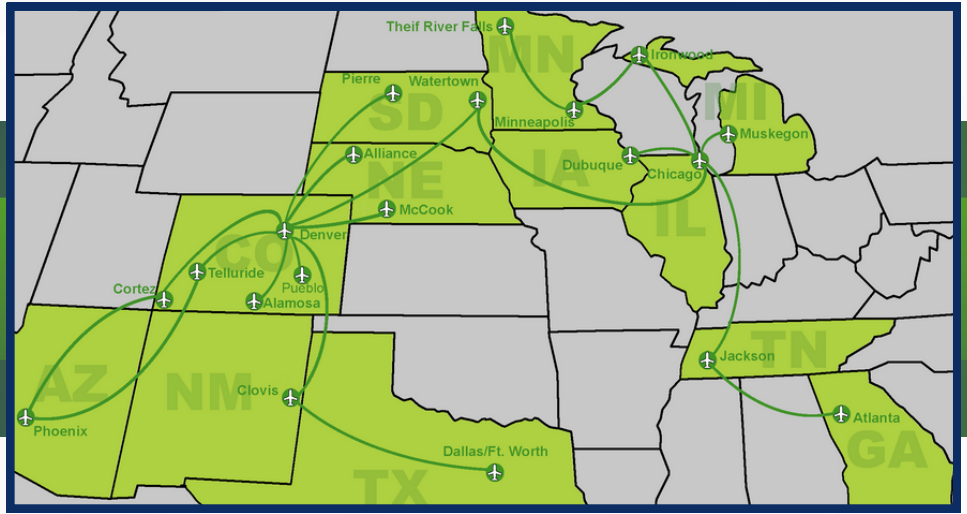
Denver Air Connection has demonstrated an impressive completion rate of better than 98% for our EAS communities.

Compliance

DOT EAS requirements, Denver Air Connection certifies it is in compliance with:

- 49 CFR Part 20 – New restrictions on lobbying; and
- 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation – Effectuation of title VI of the Civil Rights Act of 1964; and
- 49 CFR Part 27 – Nondiscrimination on the basis of disability in programs and activities receiving or benefiting from federal financial assistance; and
- 14 CFR Part 382 – Nondiscrimination on the basis of disability in air travel; and
- 2 CFR Part 1200 – Government-wide debarment and suspension (non-procurement) and government-wide requirements for drug-free workplace (grants).

The Communities We Serve



Telluride, CO – Denver Air Connection established the first and only scheduled passenger jet service to this mountain destination. Service to Phoenix began on December 16, 2021.

Alliance, NE – Denver Air Connection began service to Denver on June 1, 2019. In 2023, Alliance reselected Denver Air Connection to continue service through 2025.

Clovis, NM – Denver Air Connection began service to Denver on May 1, 2020. Service was expanded to include Dallas Ft. Worth International Airport on November 1, 2021. In 2022, Denver Air Connection was selected to continue serving the community for another four years.

Thief River Falls, MN – Denver Air Connection began service to Minneapolis on June 1, 2020. In 2022, Denver Air Connection was selected to continue serving the community for another five years.

Pierre, SD – Denver Air Connection began service to Denver on July 1, 2021. In 2023, Pierre reselected Denver Air Connection to continue providing service into 2025.

Watertown, SD – Denver Air Connection began service to Denver and Chicago O'Hare on July 1, 2021. In 2023, Watertown reselected Denver Air Connection to continue providing service into 2025.

Ironwood, MI – Denver Air Connection began service to Chicago O'Hare and Minneapolis on October 1, 2021. In 2023, the Ironwood community reselected Denver Air Connection for a four year term to provide service through 2027.

McCook, NE – Denver Air Connection began service to Denver in June 2022. In 2024, McCook reselected Denver Air Connection for an additional 4-year term extending service through 2028.

Alamosa, CO – Denver Air Connection began service to Denver in June 2022. In 2024, Alamosa selected Denver Air Connection to continue providing service through 2026.

Cortez, CO – Denver Air Connection began service to Denver and Phoenix in October 2022.

Muskegon, MI - Denver Air Connection began service to Chicago O'Hare in November 2024.

Dubuque, IA - Denver Air Connection began service to Chicago O'Hare in November 2024.

Jackson, TN - Denver Air Connection began service to Atlanta Hartsfield Jackson and Chicago O'Hare on December 1, 2024.

Pueblo, CO - Denver Air Connection begins service to Denver International Airport on May 1, 2025.

Investment in Our Fleet



With 20 years in operation, over 26 million flight hours, in service with 36 airlines in 26 countries, the ERJ-145 is a proven runway legend. The ERJ-145 has a 50-seat capacity and a 1550-mile range fully loaded. In addition to our initial fleet, that underwent an Embraer refurbishment in the Summer of 2019, Denver Air Connection purchased two additional ERJ-145XRs in January of 2024. The latest additions to the fleet arrived in February and April 2025 - two 30 passenger, custom configured ERJ-145s.

In the cabin, every detail has been considered. Overhead stowage compartments feature space-saving retractable panels and with no middle seat and the three-abreast, 31" seat pitch, every passenger has a comfortable window or aisle seat. Our 50 seat jets provide flexibility and choice to meet the community's emergent needs.



Code Share vs. Interline



BETTER than Code Share. **DAC** gives you access to **ALL** our partners on **EVERY** flight.



GLOBAL CONNECTIONS WITH A SINGLE ITINERARY ON AMERICAN, UNITED, AND DELTA



EASY BOOKING – IT'S YOUR CHOICE - BOOK THROUGH AIRLINE WEBSITES OR YOUR PREFERRED SOURCE



NO HASSLE BAG TRANSFER - BAGS ARE CHECKED THROUGH TO YOUR FINAL DESTINATION



PRICING ADVANTAGE – LOCAL PRICING NOT CONTROLLED BY BIG THREE



CONVENIENT GATE LOCATIONS - IN BOTH ATL AND ORD, WE OFFER CENTRAL PROXIMITY FOR EASY TRANSFERS



MILEAGE PROGRAM – ACCRUE ON DAC – REDEEM ANYWHERE*



24 - HOUR CUSTOMER SERVICE - OUR EMPLOYEES ARE NOT OUTSOURCED



AMENITIES – DAC'S UNIQUE CHARTER-LIKE ATMOSPHERE OFFERS THE BEST SERVICE AND SNACKS IN THE SKIES

*Partner redemption program coming Fall 2025

Investment in Our Passengers



We take pride in our dedication to our passengers. Whether it's our 24-hour customer service team, our dedicated station agents, or our friendly flight attendants, Denver Air Connection is here to joyfully serve our guests. We love what we do, and we share our passion through our dedication to each of our partner communities.

Frequent Flyer Program - Passengers on Denver Air Connection now earn points for every time they fly. With our Mile High Elite Program, passengers can redeem their points for future flights

King Sized Service - Passengers experience a true charter-like flight. Known for our king sized service and even bigger snacks, The Points Guy (<https://thepointsguy.com/news/best-snack-basket/>) described our inflight service as “the best snack basket in the sky.”



Marketing Through Community



Denver Air Connection recognizes the critical role that marketing plays in the success of a community's airline service. To support this, we have allocated a minimum of \$20,000 annually to raise awareness and promote the utilization of the service.

This budget will support a comprehensive and coordinated marketing campaign, developed in close partnership with the community. Our strategy integrates traditional media—including print and broadcast—with robust digital outreach through our social media platforms. The goal is to enhance awareness, increase visibility, and improve customer satisfaction among the community's passengers.

Our marketing efforts are grounded in collaboration. We work closely with local professionals to craft and distribute compelling messaging, ensuring we reach the highest possible utilization rates for the service.



A Partner in Growth

Denver Air Connection represents the airline partner that truly listens to the community’s needs and customizes service to meet those needs. The Department is directed to consider five factors when making a carrier selection:

1. The demonstrated reliability of the applicant in providing scheduled air service.

- **Denver Air Connection delivers an exceptional rate on completed flights and impressive on-time performance rate.**

2. The contractual and marketing arrangements the applicant has made with a large carrier to ensure service beyond the hub airport.

- **Denver Air Connection has established interline agreements with United Airlines, American Airlines, and Delta Air Lines which provides seamless access to these Airlines’ networks.**
- **Denver Air Connection maintains close contractual and marketing relationships with our airline partners and the communities we serve to ensure service beyond the hub airport.**

3. The interline agreements that the applicant has made with larger carriers to allow passengers and cargo of the applicant at the hub airport to be transported by the larger carrier(s) through one reservation, ticket, and baggage check in.

- **Denver Air Connection has interline agreements with American Airlines, United Airlines, and Delta Air Lines.**

4. Community views. The preferences of the actual and potential users of air transportation at the eligible place, giving substantial weight to the views of the elected officials representing the users of the service.

- **Denver Air Connection enjoys high levels of customer support from our passengers. We are happy to provide references for all the communities we serve to hear firsthand how we deliver on our promises every day.**

5. The air carrier has included a plan in its proposal to market the service.

- **Denver Air Connection will work with the community on how to best spend marketing dollars and to ensure marketing budgets are utilized and implemented effectively.**

ESSENTIAL AIR SERVICE BID June 23, 2025

Denver Air Connection will provide a total of 12 weekly nonstop roundtrip flights to ORD & ATL in a schedule that best suits the community's needs. The weekly frequency to each destination and the daily schedules will be adjusted based on the needs and wants of the community. This proposal is for a four-year term.

Denver Air Connection Essential Air Service Bid June 23, 2025	
	<u>PAH - ORD/ATL</u>
ERJ145 / 328Jet round trips / wk	12
Aircraft Data	
	ERJ145/328Jet
Block Hours	1,753
Available Seats	62,400
Load Factor	60%
Passenger Revenue	
Passengers	37,440
Average Fare	<u>99.00</u>
Revenue	3,706,560
Expenses	
Aircraft Lease	1,092,000
Crew Cost	1,910,610
Maintenance	1,414,765
Insurance	402,000
Overhead Facilities and Staff	372,000
ATL/ORD Operating Expense	863,352
PAH Operating Expense	422,194
Deice, Catering and Misc.	166,560
Marketing	20,000
Fuel Cost	<u>2,323,776</u>
Total Expense	9,007,257
Annual Subsidy Requirement	
Operating Income	(5,300,697)
Profit (5%)	<u>450,363</u>
Total Subsidy Year 1	5,751,060
Total Subsidy Year 2	6,038,613
Total Subsidy Year 3	6,340,544
Total Subsidy Year 4	6,657,571
Effective Subsidy Rates	
Subsidy per Trip (97% completion)	4,751
Subsidy per Passenger	154