



November 3, 2022

Mr. Michael Gormas
Office of Aviation Analysis
U.S. Department of Transportation
1200 New Jersey Ave., S.E.
Washington, D.C. 20590

Re: Proposal to Provide EAS at Cordova, Gustavus, Petersburg, Wrangell, and Yakutat, Alaska

Dear Mr. Gormas:

Enclosed is the proposal of Alaska Airlines, Inc., to provide Essential Air Service to the communities of Cordova, Gustavus, Petersburg, Wrangell, and Yakutat, Alaska.

Also attached is the certification for a drug-free workplace, certification of nondiscrimination, and the certification pertaining to influencing activities.

Please do not hesitate to contact me if you have any questions or require additional information.

Sincerely,

Megan Ouellette
Managing Director
Government and Community Affairs
Alaska Airlines, Inc.

Alaska Airlines, Inc.
Essential Air Service at Cordova, Gustavus, Petersburg, Wrangell, and Yakutat, Alaska
Order 2022-10-1

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Alaska Airlines, Inc.
Compensation Requirement
Order 2022-10-1
Essential Air Service to Cordova, Gustavus, Petersburg, Wrangell and Yakutat
DOT-OST-1998-4899

Narrative Statement

Alaska Airlines, Inc. (“Alaska Airlines”) is pleased to submit this proposal to serve the Southeast Alaska points of Cordova, Gustavus, Petersburg, Wrangell and Yakutat in response to Order 2022-10-1. Access to air service through the Essential Air Service (“EAS”) program is critical to these communities, which share important commercial and cultural ties to the region but that lack access to road systems. Alaska Airlines is proud to have supported these communities by providing reliable connectivity to each other and to the national and global air transportation system, and wishes to continue that support by virtue of this proposal.

Alaska Airlines requests an EAS averaged compensation level of \$14.8 million per year for a two-year contract period, which includes a \$14.2 million bid for passenger service and a \$0.6 million bid for freighter service. This combined bid will enable Alaska Airlines to continue offering the levels of service these communities need, with appropriate seasonal adjustments. While Alaska Airlines has always been mindful of increases in subsidy amounts during its long history of providing service to SE Alaska EAS markets, this proposal reflects a step-cost change to account for the current economic realities facing the industry, including rising labor and fuel costs, inflation, and supply chain constraints. Specifically, Alaska Airlines’ proposal reflects increases in operational costs, fuel, labor, and maintenance; additionally, the bid rectifies lingering changes in cost realities associated with serving this region related to the retirement of the 737 classic/combi aircraft that were not addressed in Alaska Airlines’ 2020 bid.

Alaska Airlines requests \$14.2 million in average annual compensation for jet aircraft passenger services to these communities with First Class, Premium, and main cabin seating options for our guests. Each passenger flight to/from these Southeast Alaska communities will offer passengers and shippers single-plane jet service to Juneau or Ketchikan and on to Alaska Airlines’ Anchorage or Seattle hubs. For service to/from Gustavus, Alaska Airlines proposes seasonal (summer-only) service to/from Juneau with the aircraft continuing on to either Anchorage or Seattle.¹

Alaska Airlines proposes maintaining its existing flight schedule as historically operated.² Under this proposal, Alaska Airlines would continue to provide twice-daily service³ to each market to ensure crucial connectivity that would not be possible with a single daily flight. A second flight enables same-

¹ In Year 1, Alaska Airlines intends to start service at Gustavus on a date to be determined between May 18, 2023 and June 1, 2023 and end summer service between August 10, 2023 and August 24, 2023. In Year 2, Alaska Airlines intends to start service at Gustavus on a date to be determined between May 23, 2024 and June 6, 2024 and end summer service between August 15, 2024 and August 29, 2024.

² Alaska Airlines requests the flexibility where necessary to adjust its passenger service schedule to meet the communities’ needs.

³ Twice-daily service would be provided to Cordova, Petersburg, Wrangell and Yakutat, with once-daily seasonal (summer-only) service to Gustavus.

day travel between these Southeast Alaska communities (Cordova, Yakutat, Wrangell, Petersburg, Juneau, Ketchikan, Sitka) in addition to providing service to Anchorage and Seattle, where passengers can connect onto flights to more than 120 cities that Alaska Airlines serves. For individuals traveling to these communities, a second flight provides the option to conduct day trips; a crucial benefit at certain times of the year when lodging reaches capacity.

Alaska Airlines also requests \$0.6 million to separately operate freighter service throughout Southeast Alaska beginning in summer 2023, which will allow Alaska Airlines to serve the air cargo needs of these communities. Alaska Airlines plans to operate 52 annual freighter flights for Cordova, Yakutat, Petersburg and Wrangell, pursuant to the enclosed schedule.⁴ Without EAS subsidy support, year-round freighter service would not be sustainable due to seasonality of demand. Alaska Airlines' request will ensure the continued provision of year-round service that is critical to meeting these communities' cargo needs.

The estimates in this proposal are based on costs associated with operating passenger and freighter Boeing 737-700 aircraft to/from Cordova, Gustavus, Petersburg, Wrangell and Yakutat. Alaska Airlines requests the flexibility to substitute aircraft with other 737 aircraft model types in some circumstances. For both passenger and freighter service, Alaska Airlines predicts an increase in fuel prices compared to 2020 by assuming a \$3.75 per gallon in Year 1 and \$3.50 per gallon in Year 2. This is forecasted based on Alaska Airlines' observed pricing.

Importantly, all of the jet aircraft Alaska Airlines would use to operate service under this proposal are equipped with Alaska Airlines' proprietary Required Navigation Performance ("RNP") technology. RNP technology provides computer-plotted landing paths with pinpoint accuracy by using a combination of onboard navigation technology and the Global Positioning System satellite network. All of Alaska Airlines' flight crews are trained in its use, enabling Alaska Airlines to reliably serve these communities even in inclement weather. Alaska Airlines' high completion factor for flights to/from these communities during the past two years is a testament to the reliable service Alaska Airlines provides.

As has been noted for years in Alaska Airlines' prior proposals, Alaska Airlines takes seriously its unique obligation to continue fulfilling its longstanding role as the critical transportation link for these communities (without access to road systems) to hubs within and beyond the state of Alaska. Alaska Airlines is committed to providing these communities not only a vital transportation link, but excellent service as well. Alaska Airlines' passenger jet service, combined with its freighter operation, will best serve the needs of Southeast Alaska residents and visitors.

⁴ Alaska Airlines requests the flexibility to adjust its freighter schedule where necessary to meet these communities' needs.

AS-2

Passenger + Freighter Service	Year 1 Final Bid May 2023 - April 2024			Year 2 Final Bid May 2024 - April 2025			Consolidated Bid May 2023 - April 2025		
	Cordova, Yakutat, Gustavus ⁷	Petersburg, Wrangell	Year 1 Total	Cordova, Yakutat, Gustavus ⁷	Petersburg, Wrangell	Year 2 Total	Cordova, Yakutat, Gustavus ⁷	Petersburg, Wrangell	Consolidated Total
	Operating Revenue								
Passenger ¹	8,215,313	8,542,133	16,757,446	8,215,313	8,542,133	16,757,446	8,215,313	8,542,133	16,757,446
Freight/Mail ²	2,208,510	1,393,326	3,601,836	2,208,510	1,393,326	3,601,836	2,208,510	1,393,326	3,601,836
Trans. Related & Other	2,766,744	2,413,356	5,180,101	2,766,744	2,413,356	5,180,101	2,766,744	2,413,356	5,180,101
Total Operating Revenue	13,190,567	12,348,815	25,539,382	13,190,567	12,348,815	25,539,382	13,190,567	12,348,815	25,539,382
Operating Expenses									
Direct Operating Expenses									
Non-FuelExpense ³	13,097,120	10,818,268	23,915,388	14,294,631	11,735,675	26,030,307	13,695,876	11,276,971	24,972,847
Fuel Expense ⁴	4,844,101	3,030,023	7,874,124	4,844,101	3,030,023	7,874,124	4,844,101	3,030,023	7,874,124
Total Direct Operating Expenses	17,941,222	13,848,290	31,789,512	19,138,733	14,765,698	33,904,431	18,539,977	14,306,994	32,846,971
Indirect Operating Expenses									
Overhead ⁵	1,219,500	1,109,000	2,328,500	1,219,500	1,109,000	2,328,500	1,219,500	1,109,000	2,328,500
Ownership	1,739,181	1,360,341	3,099,521	1,739,181	1,360,341	3,099,521	1,739,181	1,360,341	3,099,521
Total Indirect Operating Expenses	2,958,681	2,469,341	5,428,021	2,958,681	2,469,341	5,428,021	2,958,681	2,469,341	5,428,021
Total Operating Expenses	20,899,902	16,317,631	37,217,533	22,097,413	17,235,039	39,332,452	21,498,658	16,776,335	38,274,993
Total Non-Operating Expenses	69,589	42,896	112,484	69,589	42,896	112,484	69,589	42,896	112,484
Operating Profit (Loss)	(7,778,924)	(4,011,711)	(11,790,636)	(8,976,435)	(4,929,119)	(13,905,554)	(8,377,680)	(4,470,415)	(12,848,095)
5% Return	1,048,475	818,026	1,866,501	1,108,350	863,897	1,972,247	1,078,412	840,962	1,919,374
Compensation	(8,827,399)	(4,829,738)	(13,657,136)	(10,084,785)	(5,793,016)	(15,877,801)	(9,456,092)	(5,311,377)	(14,767,469)

Notes

1-Passenger revenue flat vs 2021/2022 levels. Freight revenue based off 2021/2022 levels.

2- Freight revenue on passenger aircraft remains flat vs 2021/2022 levels

3- Increase in crew wages by 16% in year 1 and 4% in year 2. 5% increase maintenance expense in year 1 and 8% in year 2 off higher wages and expense increase in spare parts

4- Fuel estimated at \$3.75 per gallon in year 1 and \$3.50 in year 2

5-Based off 10% of per departure costs

6- Return of 5%

7-Gustavus service is summer only and passenger service only

AS-2

Passenger Service	Year 1 Final Bid May 2023 - April 2024			Year 2 Final Bid May 2024 - April 2025			Consolidated Bid May 2023 - April 2025		
	Cordova, Yakutat, Gustavus	Petersburg, Wrangell	Year 1 Total	Cordova, Yakutat, Gustavus	Petersburg, Wrangell	Year 2 Total	Cordova, Yakutat, Gustavus	Petersburg, Wrangell	Consolidated Total
	Operating Revenue								
Passenger ¹	8,215,313	8,542,133	16,757,446	8,215,313	8,542,133	16,757,446	8,215,313	8,542,133	16,757,446
Freight/Mail ²	1,200,113	752,816	1,952,929	1,200,113	752,816	1,952,929	1,200,113	752,816	1,952,929
Trans. Related & Other	2,766,744	2,413,356	5,180,101	2,766,744	2,413,356	5,180,101	2,766,744	2,413,356	5,180,101
Total Operating Revenue	12,182,170	11,708,305	23,890,475	12,182,170	11,708,305	23,890,475	12,182,170	11,708,305	23,890,475
Operating Expenses									
Direct Operating Expenses									
Non-FuelExpense ³	12,320,311	10,298,320	22,618,631	13,450,742	11,174,946	24,625,688	12,885,527	10,736,633	23,622,160
Fuel Expense ⁴	4,524,850	2,893,982	7,418,832	4,524,850	2,893,982	7,418,832	4,524,850	2,893,982	7,418,832
Total Direct Operating Expenses	16,845,161	13,192,302	30,037,463	17,975,592	14,068,928	32,044,520	17,410,377	13,630,615	31,040,992
Indirect Operating Expenses									
Overhead ⁵	1,141,500	1,057,000	2,198,500	1,141,500	1,057,000	2,198,500	1,141,500	1,057,000	2,198,500
Ownership	1,626,984	1,289,376	2,916,360	1,626,984	1,289,376	2,916,360	1,626,984	1,289,376	2,916,360
Total Indirect Operating Expenses	2,768,484	2,346,376	5,114,860	2,768,484	2,346,376	5,114,860	2,768,484	2,346,376	5,114,860
Total Operating Expenses	19,613,646	15,538,677	35,152,323	20,744,077	16,415,304	37,159,380	20,178,861	15,976,991	36,155,852
Total Non-Operating Expenses	65,215	40,949	106,164	65,215	40,949	106,164	65,215	40,949	106,164
Operating Profit (Loss)	(7,496,690)	(3,871,322)	(11,368,012)	(8,627,121)	(4,747,948)	(13,375,069)	(8,061,906)	(4,309,635)	(12,371,540)
5% Return	983,943	778,981	1,762,924	1,040,465	822,813	1,863,277	1,012,204	800,897	1,813,101
Compensation	(8,480,633)	(4,650,303)	(13,130,936)	(9,667,586)	(5,570,760)	(15,238,346)	(9,074,110)	(5,110,532)	(14,184,641)

Notes

1-Passenger revenue flat vs 2021/2022 levels

2- Freight on passenger aircraft revenue remains flat vs 2021/2022 levels

3- Increase in crew wages by 19% in year 1 and 6% in year 2. 5% increase maintenance expense in year 1 and 8% in year 2 off higher wages and expense increase in spare part

4- Fuel estimated at \$3.75 per gallon in year 1 and \$3.50 in year 2

5-Based off 10% of per departure costs

6- Return of 5%

AS-2

Freighter Service	Year 1 Final Bid			Year 2 Final Bid			Consolidated Bid		
	May 2023 - April 2024			May 2024 - April 2025			May 2023 - April 2025		
	Cordova, Yakutat	Petersburg, Wrangell	Year 1 Total	Cordova, Yakutat	Petersburg, Wrangell	Year 2 Total	Cordova, Yakutat	Petersburg, Wrangell	Consolidated Total
Operating Revenue									
Passenger	-	-	-	-	-	-	-	-	-
Freight/Mail ¹	1,008,397	640,510	1,648,907	1,008,397	640,510	1,648,907	1,008,397	640,510	1,648,907
Trans. Related & Other	-	-	-	-	-	-	-	-	-
Total Operating Revenue	1,008,397	640,510	1,648,907	1,008,397	640,510	1,648,907	1,008,397	640,510	1,648,907
Operating Expenses									
Direct Operating Expenses									
Non-Fuel Expense ²	776,809	519,948	1,296,757	843,889	560,729	1,404,618	810,349	540,338	1,350,687
Fuel Expense ³	319,251	136,041	455,292	319,251	136,041	455,292	319,251	136,041	455,292
Total Direct Operating Expenses	1,096,061	655,989	1,752,049	1,163,141	696,770	1,859,911	1,129,601	676,379	1,805,980
Indirect Operating Expenses									
Overhead ⁴	78,000	52,000	130,000	78,000	52,000	130,000	78,000	52,000	130,000
Ownership	112,196	70,965	183,161	112,196	70,965	183,161	112,196	70,965	183,161
Total Indirect Operating Expenses	190,196	122,965	313,161	190,196	122,965	313,161	190,196	122,965	313,161
Total Operating Expenses	1,286,257	778,953	2,065,210	1,353,337	819,735	2,173,072	1,319,797	799,344	2,119,141
Total Non-Operating Expenses	4,374	1,946	6,321	4,374	1,946	6,321	4,374	1,946	6,321
Operating Profit (Loss)	(282,234)	(140,390)	(422,624)	(349,314)	(181,171)	(530,485)	(315,774)	(160,780)	(476,554)
5% Return ⁵	64,532	39,045	103,577	67,886	41,084	108,970	66,209	40,065	106,273
Compensation	(346,766)	(179,435)	(526,200)	(417,199)	(222,255)	(639,455)	(381,983)	(200,845)	(582,827)

Notes

1-Revenue forecast off 2021/2022 actuals

3- Increase in crew wages by 19% in year 1 and 6% in year 2. 5% increase maintenance expense in year 1 and 8% in year 2 off higher wages and expense increase in spare part

3- Fuel estimated at \$3.75 per gallon in year 1 and \$3.50 in year 2

4-Based off 10% of per departure costs

5- Return of 5%

AS-3

Subsidy Allocation by Community (averaged over 2 years)

Allocation: Passenger	
Cordova	\$4,320,331
Yakutat	\$4,348,600
Gustavus	\$405,178
Total	\$9,074,110
Wrangell	\$2,638,479
Petersburg	\$2,472,052
Total	\$5,110,532

Allocation: Freighter	
Cordova	\$44,586
Yakutat	\$42,838
Total	\$87,424
Wrangell	\$257,610
Petersburg	\$237,794
Total	\$495,403

AS-4

Passenger SE Alaska Market Schedule (Estimated-- Flexibility Requested)

Flight #	Off-Peak			
	65	61	64	66
	↓	↓	↑	↑
Seattle	0800	0745	2036	2341
Ketchikan	0910 0955		1743 1658	
Wrangell	1046 1131		1620 1535	
Petersburg	1158 1243		1507 1422	
Juneau	1327 1417	0924 1014	1331 1241	2020 1811
Yakutat		1116 1206		1717 1627
Cordova		1259 1349		1535 1445
Anchorage	1603	1440	1100	1345

Flight #	Peak (Summer)					
	65	61	71	77	64	66
	↓	↓	↓	↓	↑	↑
Seattle	0812	0745	1340		2020	2213
Ketchikan	0921 1008				1718 1628	
Wrangell	1049 1139				1554 1504	
Petersburg	1202 1252				1441 1351	
Gustavus						
Juneau	1333 1423	0921 1011	1513 1603	1812	1306 1211	1848 1758
Gustavus			1640	1740		
Yakutat		1109 1159				1707 1617
Cordova		1252 1342				1526 1436
Anchorage	1605	1435			1035	1344

Source:

Off Peak: Winter 2022 schedule

Peak: Summer 2022 schedule

AS-4

Freighter SE Alaska EAS Market Schedule (Estimated - Flexibility Requested)

Not all flights operate on the same day of the week

Origin	Destination	Est Dprt Tm	Est Arrv Tm
SEA	WRG	7:15	8:45
WRG	JNU	9:30	10:20
SEA	PSG	8:10	9:35
PSG	JNU	10:20	11:00
ANC	CDV	14:00	14:50
CDV	YAK	15:35	16:25
YAK	JNU	17:10	18:00

AS-5

Completion Factors for SE AK EAS Markets

Data represents a 2 year span from October 2020 thru September 2022

Passenger Operating Stats			
Market	Scheduled	Operated	Completion Factor
ANCCDV	1,446	1,405	97.16%
CDVYAK	1,453	1,382	95.11%
GSTJNU	398	386	96.98%
JNUPSG	1,449	1,420	98.00%
JNUYAK	1,453	1,389	95.60%
KTNWRG	1,446	1,418	98.06%
PSGWRG	1,448	1,419	98.00%
Grand Total	9,093	8,819	96.99%

Freighter Operating Stats			
Station	Scheduled	Operated	Completion Factor
CDV	105	101	96.19%
PSG	102	72	70.59%
WRG	103	79	76.70%
YAK	105	95	90.48%
Grand Total	415	347	83.61%

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
OFFICE OF AVIATION ANALYSIS**

**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS
IN THE PERFORMANCE OF SUBSIDIZED ESSENTIAL AIR SERVICE**

A. The subsidized essential air service carrier certifies that it will, or will continue, to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the carrier's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about--
(1) The dangers of drug abuse in the workplace;
(2) The grantee's policy of maintaining a drug-free workplace;
(3) Any available drug counseling, rehabilitation, and employee assistance programs; and
(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of work supported by the subsidy be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment supported by the subsidy, the employee will--
(1) Abide by the terms of the statement; and
(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of conviction. Employers of convicted employees must provide notice, including position title, to the Office of Aviation Analysis. Notice shall include the order number of each affected subsidized service;

(f) Taking one of the following actions, within 30 days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted--
(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended, or
(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency;

INSTRUCTIONS FOR CERTIFICATION

1. By signing and/or submitting this application or grant agreement, the subsidized essential air service carrier is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the subsidy. If it is later determined that the subsidized carrier knowingly rendered a false certification, or otherwise violated the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the subsidy application. If the subsidized carrier does not identify the workplaces at the time of application, or upon award if there is no application, the carrier must keep the identity of the workplaces on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the subsidized carrier's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (*e.g.*, all counters at the airports served by the carrier).
5. If the workplace identified to the agency changes during the performance of the subsidized service, the subsidized carrier shall inform the agency of the change, if it previously identified the workplace in question.
6. Definitions of terms in the Nonprocurement Suspension and Debarment common rule (49 CFR Part 29) and Drug-Free Workplace common rule (49 CFR Part 29, Subpart F) apply to this certification. Carriers' attention is called, in particular, to the following definitions from these rules:

Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 USC 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

Conviction means a finding of guilt (including a plea of *nolo contendere*) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

Employee means the employee of a subsidized carrier directly engaged in the performance of work supported by the subsidy, including: (i) All *direct charge* employees; (ii) All *indirect charge* employees unless their impact or involvement is insignificant to the performance of subsidized service; and (iii) Temporary personnel and consultants who are directly engaged in the performance of work supported by the subsidy and who are on the subsidized carrier's payroll. This definition does not include workers not on the payroll of the subsidized carrier (*e.g.*, volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the subsidized carrier's payroll; or employees of subrecipients or subcontractors in covered workplaces).

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

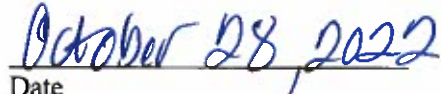
B. The subsidized essential air service carrier *may*, but is not required to, insert in the space provided below the site for the performance of work done in connection with the specific grant.

Places of Performance (street address, city, county, state, zip code). For the provision of essential air service, workplaces include outstations, maintenance sites, headquarters office locations, training sites and any other worksites where work is performed that is supported by the subsidy.

_____	_____
_____	_____
_____	_____
_____	_____

Check if there are workplaces on file that are not identified here.


Signature


Date

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
OFFICE OF AVIATION ANALYSIS**

**TITLE VI ASSURANCE
(Implementing Title VI of the Civil Rights Act of 1964, as amended)**

**ASSURANCE CONCERNING NONDISCRIMINATION ON THE
BASIS OF DISABILITY IN FEDERALLY-ASSISTED PROGRAMS
AND ACTIVITIES RECEIVING OR BENEFITING FROM
FEDERAL FINANCIAL ASSISTANCE**

**(Implementing the Rehabilitation Act of 1973, as amended, and the
Air Carrier Access Act of 1986)**

49 CFR Parts 21 and 27 and 14 CFR Parts 271, and 382

Alaska Airlines, Inc. _____ (the Recipient) HEREBY AGREES THAT,
(Name of Recipient)

I. As a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply: with Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d--42 U.S.C. 2000d-4; all requirements imposed by or pursuant to: Title 49, Code of Federal Regulations, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964; and other pertinent directives so that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance from the Department of Transportation. This assurance is required by Title 49, Code of Federal Regulations, section 21.7(a) and Title 14, Code of Federal Regulations, section 271.9(c).

II. As a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply with: section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794); the Air Carrier Access Act of 1986 (49 U.S.C. 1374(c)); and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Part 27, Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefitting from Federal Financial Assistance, Title 14, Code of Federal Regulations, Part 382, Nondiscrimination on the Basis of Handicap in Air Travel; and other pertinent directives

so that no otherwise qualified person with a disability, be excluded from participation in, be denied the benefits of, be discriminated against by reason of such handicap in the provision of air transportation, or otherwise be subjected to discrimination under any program for which the Recipient receives Federal financial assistance from the Department of Transportation. This assurance is required by Title 49, Code of Federal Regulations, section 27.9 and Title 14, Code of Federal Regulations, sections 271.9(c) and 382.9.

III. It will promptly take any measures necessary to effectuate this agreement. The Recipient further agrees that it shall take reasonable actions to guarantee that it, its contractors and subcontractors subject to the Department of Transportation regulations cited above, transferees, and successors in interest will comply with all requirements imposed or pursuant to the statutes and Department of Transportation regulations cited above, other pertinent directives, and the above assurances.

IV. These assurances obligate the Recipient for the period during which Federal financial assistance is extended. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the statutes and Department of Transportation regulations cited above, other pertinent directives, and the above assurances.

V. These assurances are given for the purpose of obtaining Federal subsidy under the Essential Air Service Program and are binding on the Recipient, contractors, subcontractors, transferees, successors in interest, and all other participants receiving Federal subsidy in the Essential Air Service Program. The person or persons whose signatures appear below are authorized to sign this agreement on behalf of the Recipient.

VI. In addition to these assurances, the Recipient agrees to file: a summary of all complaints filed against it within the past year that allege violation(s) by the Recipient of Title VI of the Civil Rights Act of 1964, as amended, section 504 of the Rehabilitation Act of 1973, as amended, or the Air Carrier Access Act of 1986; or a statement that there have been no complaints filed against it. The summary should include the date the complaint was filed, the nature of the complaint, the status or outcome of the complaint (i.e., whether it is still pending or how it was resolved).

October 28, 2022
Date

JULIETTE RODRIGUEZ
Legal Name of Recipient

By: Juliette Rodde
Signature of Authorized Official

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
OFFICE OF AVIATION ANALYSIS**

CERTIFICATION REGARDING INFLUENCING ACTIVITIES

**Certification for Contracts, Grants, Loans,
and Cooperative Agreements**

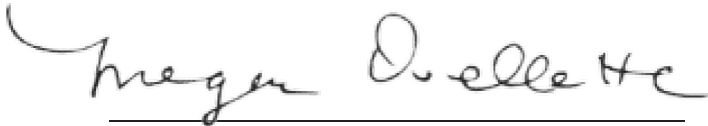
The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Influencing Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



Signature

10/31/2022

Date

Managing Director, Government & Community Affairs
Title

Alaska Airlines, Inc.
Air Carrier

Cordova, Gustavus, Petersburg, Wrangell, and Yakutat, Alaska
Essential Air Service Point(s) To Which Certification Applies