



2013 WYOMING AIRPORTS *Economic Impact Study*

Summary of Economic Impacts for Commercial Airports & Airline Service in Wyoming



Benefits of Commercial Airports & Airline Service in Wyoming

Report Overview

In recent years, commercial airline service in the U.S. has undergone significant change. Much of this change has been precipitated by escalating airline fuel costs, coupled with efforts by the airlines to increase their profitability. The end results have been mergers and consolidation within the airline industry and the closure of several major airline connecting hubs. While carriers were previously committed to small regional jets, higher fuel costs have now rendered smaller regional aircraft uneconomical on some routes. All large, medium, and small markets in the U.S. have been impacted by changes in the commercial airline industry.

Among all states, Wyoming has been at the forefront of providing assistance to its communities to maintain existing and to attract additional airline service. Wyoming's commercial airports have had unique success as it pertains to scheduled commercial airline service. While similarly-sized communities across the U.S. have experienced diminishing levels of air service and/or increasing fares, partnerships with local, state, and federal entities have been instrumental in maintaining or even improving Wyoming's scheduled airline service, while at the same time lowering average fares.

The research documented in this report on commercial airports and airline service in Wyoming was recently completed by the Wyoming Department of Transportation (WYDOT) Aeronautics Division. The research was conducted to determine if Wyoming receives benefits, economic or other, from commercial airports and commercial airline service. Findings from the research indicate that

Wyoming residents, businesses, and visitors do in fact realize a variety of benefits.

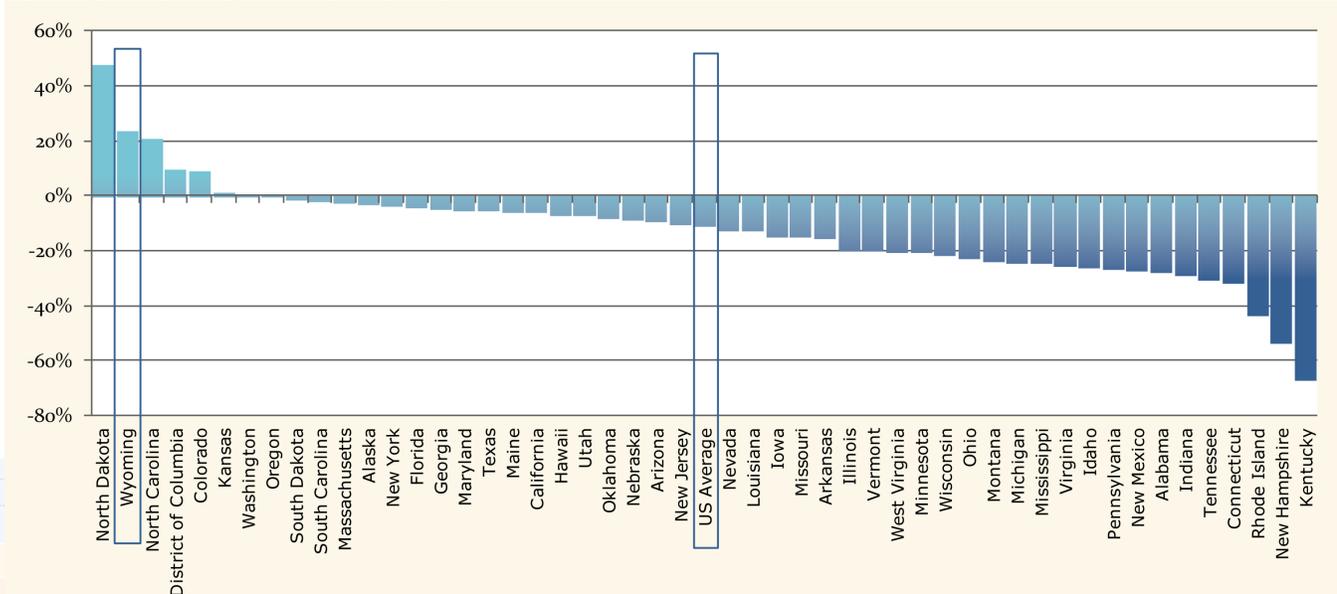
Once the research documented a positive connection between commercial airports and airline service and Wyoming's economy, analysis was then undertaken to quantify economic benefits. This summary provides data from the research project that highlights Wyoming's benefits from commercial airports and airline service.

Cheyenne Regional Airport-Jerry Olson Field (CYS)

Cheyenne is a major retail center for southern Wyoming and northern Colorado. Its location at the junction of Interstates 25 and 80 makes it accessible to a large market area. Several major retailers have elected to build stores in Cheyenne. Information from these retailers indicates the ability of their management teams to travel to Cheyenne using airline service was critical in their decision making process to build in Cheyenne. Airline service at the airport was one factor that attracted Kohl's, Dillard's, Lowe's, and Target to Cheyenne. These retailers help to support hundreds of jobs in the local area and airline service was important in bringing these retailers to Cheyenne.

National Changes in Total Departing Airline Seats

Wyoming's Departing Seat Capacity is up 24% since 2003



Source: Diio Mi-Market Intelligence for the Aviation Industry Measured in terms of departing seats

Wyoming's Commercial Airports and Scheduled Airline Service

Commercial Airports in Wyoming

Ten public-use airports in Wyoming have service provided by one or more commercial airline carriers. Non-stop airline service is provided by these carriers to various destinations on both a year-round and seasonal basis. Scheduled air service from all Wyoming airports is available to Salt Lake City and/or Denver. Once Wyoming residents, businesses, and visitors reach these connecting hubs, they have access to hundreds of domestic and international destinations.

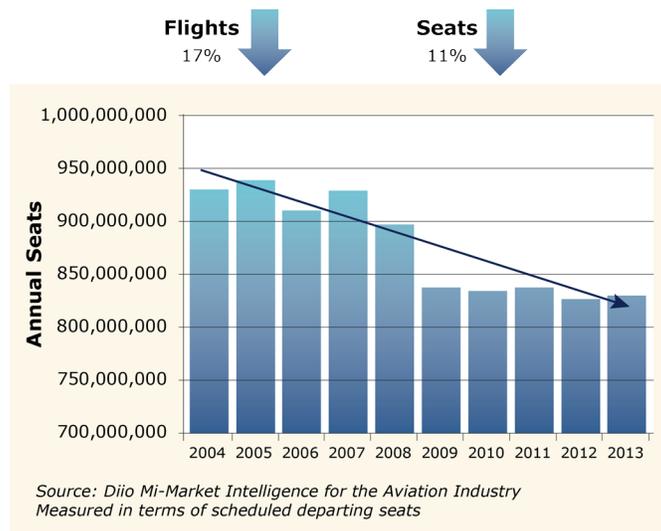
Non-Stop Year Round and Seasonal Commercial Airline Flights



Comparative Overview of Wyoming Air Service

As a result of higher operating costs, the commercial airline industry in the U.S. has experienced contraction. Nationally, between 2004 and 2013, the number of departing commercial airline flights decreased by 17%, while the number of departing seats from all domestic airports fell by 11% over this same period. On a national basis, the number of departing commercial airline seats declined; **but in Wyoming, the number of departing airline seats actually increased by 24% between 2004 and 2013.** Nationally, Wyoming is one of the only states to realize improved air service, as measured by the number of seats departing from its commercial airports.

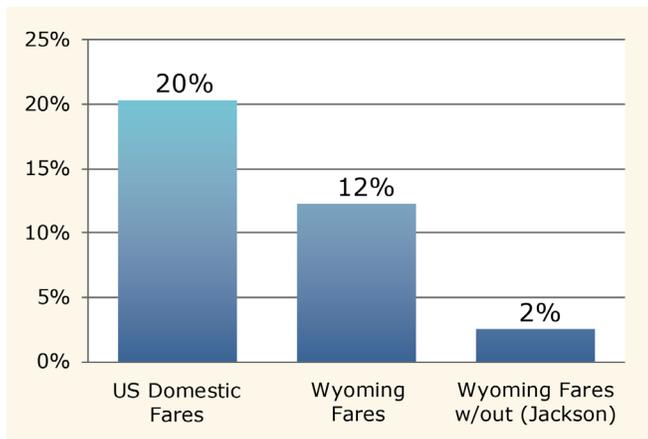
National Declines in Airline Flights and Seats



Comparative Overview of Wyoming Air Service

Between 2007 and 2012, average domestic airline fares for all airports in the U.S. increased by 20%. For the commercial airports in Wyoming, over this same time frame, fares increased by only 12%. If airline fares to and from Jackson Hole are excluded from this comparison, then average fares for the remaining nine commercial airports in Wyoming increased only 2%. Wyoming clearly has out-performed the U.S. in terms of maintaining competitive air fares.

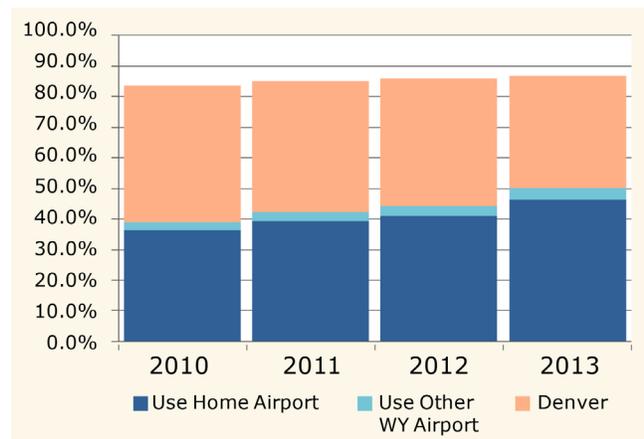
Growth in Air Fares from 2007 to 2012



Source: Diio Mi-Market Intelligence for the Aviation Industry

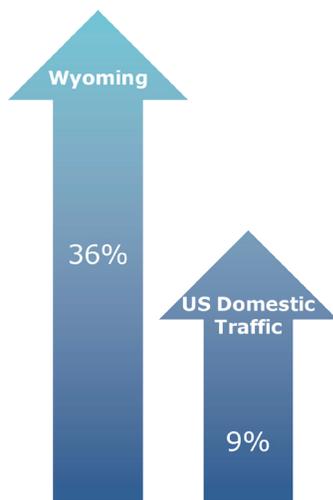
Despite the decrease in passenger leakage, collectively, Wyoming's commercial airports continue to lose each year an estimated 1,000,000 inbound and outbound passengers to commercial airports in other states, primarily those in Denver and Salt Lake City. Considering that this is the approximate number of inbound and outbound passengers served collectively by the commercial airports in Wyoming in 2013, potential increases in airline service that could be supported with even greater reductions in passenger leakage are easily envisioned.

Wyoming Passenger Leakage



Source: WYDOT Aeronautics & Airline Reporting Corporation (ARC), through April 2013

Wyoming has benefited from increased capacity in terms of departing seats and competitive air fares. Between 2004 and 2012, total commercial airline passengers in the U.S. increased by 9%. Comparatively, in Wyoming over this same period, commercial airline passengers were up 36%. Most of Wyoming's increase in passengers is attributed to fewer Wyoming travelers leaving the state to use alternate airports. When an airline traveler leaves their local airport market area to depart from a more distant commercial airport, this is typically referred to as passenger leakage.



Casper/Natrona County International Airport (CPR)

Casper College relies on and benefits from commercial airline service available at the Casper/Natrona County International Airport. Student enrollment at the College is estimated at close to 5,000, and these students come from 35 different states and 20 foreign countries. Without scheduled airline service, the College would not be able to recruit students from such diverse geographical locations. The College is home to the Tate Geological Museum and attracts geologists from around the world. Employment at the College is estimated at approximately 350. Of this total, 160 are full-time faculty and 100 are part-time instructors. Air service available at Casper/Natrona County International Airport is important not only to attracting students but also to recruiting and retaining the best available faculty for the College. Without air service at the Casper/Natrona County International Airport, the College would not have been able to develop into the thriving educational institution that it has become.

Wyoming Passenger Cost Savings: Fly Local versus Alternate Travel

There are many reasons that Wyoming travelers choose to depart from a more distant airport. Some travelers choose an alternate airport because the cost of the actual airline ticket is less. However, when all costs are considered, the potential savings on the ticket are often off-set by other costs.

The following analysis provides an example of the cost of travel from a local Wyoming airport as opposed to driving to a more distant alternate airport and flying from there. Comparative factors include the cost of the ticket, the traveler's travel and parking costs, the traveler's cost in terms of time to reach their departing airport, and the traveler's cost in terms of time to reach their final destination.

A passenger who lives in Cody is destined for Denver and has two options to reach Denver. The first option is to fly from Yellowstone Regional Airport (COD) to Denver International Airport (DEN). The second option is to drive from Cody to the most commonly used alternate airport, Billings International Airport (BIL), to fly to Denver.

As the table on this page shows, the total cost of one-way air travel from Cody to Denver is estimated at \$193, while the one-way cost of flying from Billings to Denver for the same traveler is estimated at \$226. Comparing time for this one-way trip, the traveler flying directly from Cody spent an estimated 129 minutes, while the traveler that drove to Billings and then flew to Denver spent an estimated 267 minutes.

For this example, departing from the local Wyoming airport saved the traveler time and money. When Wyoming-based air travelers choose to depart from an out-of-state airport, they often do not realize that the cost and time savings are greater when departing from their local Wyoming commercial airport.

Example: Cody vs. Billings

Origination Point: Cody City Center

Destination Point: Denver International Airport (DEN)

Travel Routing:

- Option 1: Fly from Local Airport (COD) to DEN
- Option 2: Drive to Alternate Airport (BIL) and fly to DEN

Distance Traveled (Miles)	Option 1: COD	Option 2: BIL
Drive Miles from City Center	3	106
Flight Miles to DEN	392	455
Total Miles Traveled	395	561
Time Taken (Minutes)	Option 1: COD	Option 2: BIL
Drive Time from City Center	6	113
Pre-Flight Airport Arrival Time	30	60
Flight Time to DEN	93	94
Total Time	129	267
Cost Incurred (USD)	Option 1: COD	Option 2: BIL
Average Ticket Cost to DEN	\$191	\$142
Drive to Airport	\$2	\$59
Airport Parking	\$0	\$26
Subtotal	\$193	\$226
One-Way Trip Cost (USD)	\$193	\$226
One-Way Trip Duration (minutes)	129	267
Cost Saved Using WY Airport	\$34	15%
Time Saved Using WY Airport	138	52%

Source: ICF SH&E Analysis

Notes:

Ticket cost assumes 2012 average nonstop revenue fare when the destination point is the final destination (not a connection point), US DOT O&D Database. Flight time assumes nonstop flight time in the air and excludes any ground, gate, or weather delays. Drive time assumes the most efficient route in terms of maximizing interstate and highway miles and assumes a drive without detour, stops or delays. Cost to drive assumes 2012 U.S. Government reimbursement rate of \$0.56 per mile and approximate toll cost for a 2-axle vehicle. Cost to park assumes 3 days (72 hours) of parking in BIL's Long-Term parking lot. Pre-flight time includes estimated time for parking, traveling to terminal, wayfinding, TSA security checkpoint, walk time to the gate and wait time.

Worland Municipal Airport (WRL)

Travel experiences reported by a bank manager from Powell demonstrate the value of commercial airline service at Worland Municipal Airport. The manager has frequent trips from Powell to both Cheyenne and Laramie. The drive from Powell to Cheyenne in good weather conditions is over 6 ½ hours; the length of this drive time increases significantly when roads are icy or snowy. The manager reports that if he drives, it requires him to leave a day earlier for his travel and his return to Powell is also later in the day. The manager also reports that the price of the round trip ticket from Worland is less than the mileage cost for the 830 mile round trip if he drives. By using airline service from Worland, the manager reports that he spends less time away from the bank; he is more productive on the plane while he is traveling; and the trip is less stressful, allowing him to return to work being more productive.

Wyoming Commercial Airports Benefit Businesses

Many different types of businesses and employers in Wyoming benefit from commercial airline service. Through various outreach efforts that were conducted in conjunction with this study, large and small companies throughout the state provided examples of how their operations rely on commercial airline service. This section highlights various types of businesses identified by this research effort whose operations in Wyoming would not be successful without access to scheduled commercial airline service.

Yellowstone Regional Airport (COD)

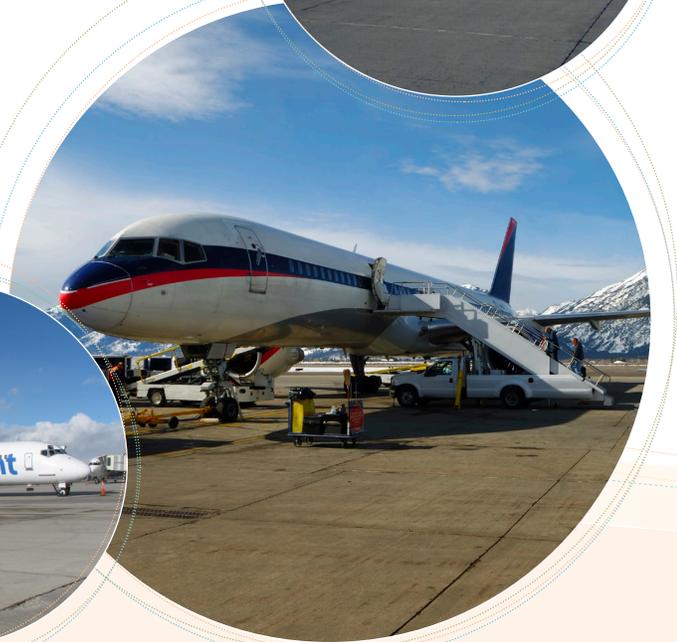
Eleutian Technologies, based near Cody, is the world's largest online trainer for teaching English as a second language. The company has nine different learning centers and an estimated total of 300 employees. Eleutian advertises its services as the bridge to globalization, and Yellowstone Regional Airport helps to facilitate that bridge. Eleutian relies on Yellowstone Regional Airport to bring vendors and suppliers to Cody and to also bring teachers to Cody for training. In addition, exchange students come to Cody via Yellowstone Regional Airport to study. Without airline service at Yellowstone Regional Airport, a global company such as Eleutian Technologies would not be able to be based in Cody. Organizations such as Forward Cody, that recruit employers to the area, note how vital commercial airline service is to being able to both recruit and retain employment in the area.

Worland Municipal Airport (WRL)

Pepsi, one of the best known names in the U.S., has its roots in Worland. Newell Sargent and his wife opened a bottling operation in Worland in 1947. This company provided the foundation for a company that is now a household name. Admiral Beverage continues to operate in Worland today and has an estimated 100 local employees. Admiral Beverage is an outstanding example of a local company that improves its efficiency by using commercial airline service. The company relies on Worland Municipal Airport to meet the needs of its employees, as well as to enable vendors and suppliers to travel to Worland to meet with them. For Worland, the availability of commercial airline service is important to economic development initiatives and local businesses.

Jackson Hole Airport (JAC)

Tower 3 Productions is a full service video production company based in Jackson Hole. Tower 3 Productions is an example of a local business that benefits from commercial airline service available at Jackson Hole Airport. Airline service at Jackson Hole Airport enables staff from Tower 3 Productions to travel to more distant locations for on-site filming or to meet with potential clients. Airline service also enables prospective customers to travel to Jackson Hole to meet with Tower 3 Productions in their offices. As a result of scheduled commercial airline service available at Jackson Hole Airport, Tower 3 Productions is able to expand its customer base to different locations in the U.S.



Importance & Value of Scheduled Airline Service to Wyoming

Benefits of Airline Service to Wyoming Residents

During 2013, an estimated 527,200 passengers boarded scheduled airline flights at the commercial airports in Wyoming. Of this total, approximately 30% of these boarding passengers were Wyoming residents. As part of the research project conducted by the Aeronautics Division, managers at Wyoming's commercial airports helped to distribute and collect over 3,500 surveys from travelers. Approximately 2,000 of these surveys were completed by Wyoming residents.

All travelers participating in the survey were given the opportunity to provide information on how they may or may not benefit from airline service. While not all Wyoming residents participating in the survey provided written comments, more than half of the participants, approximately 1,000 residents, did provide information as it relates to their use of Wyoming's commercial airports.

Reporting of survey results would be biased if those expressing dissatisfaction with their airline trip were not included. A small percentage (less than 1%) of resident respondents did report dissatisfaction with airline reliability due to a delay or cancellation. Recent changes in federal regulations have led to a shortage of qualified flight crews causing some smaller airlines to experience difficulty with on-time performance and flight cancellations. For Wyoming travelers, the impacts of delays or cancellations can be more pronounced as a result of the smaller number of arrivals and departures from Wyoming airports.

Among residents providing trip or use information, approximately 70% of the responses contain information on how the traveler benefits from airline service at a Wyoming airport. Survey findings, summarized below, show the primary benefits Wyoming residents report:

- Safety** – Residents noted that Wyoming's terrain and weather conditions often make highway travel challenging. Resident respondents indicated that commercial airline service makes their travel safer because it keeps them off the roads, especially during nighttime hours and when snowy or icy conditions exist. Some resident travelers even noted that airline service is preferable because when the roads are closed, the airports are still most often open.
- Convenience and time savings** – Residents, both business and leisure travelers, noted that they fly from a Wyoming airport because they can park close to the terminal (often the parking is free) and their wait time to check in with the airline and to be processed through TSA security is shorter and more predictable. According to survey comments, if residents travel to a more distant airport for their commercial airline departure, they typically factor in 90 to 120 minutes of additional time to their trip once they reach the terminal building.
- Employee Attraction and Retention** – Survey respondents represented colleges, businesses, and health care facilities in Wyoming. Without exception, their survey responses highlighted that commercial airline service is critical to their ability to attract and retain experienced professionals to Wyoming.
- Access to medical treatment** – Some residents indicated that their travel was for advanced medical treatment. Respondents indicated they were unable or unwilling to make the drive for their medical treatment and consider airline service in their community to be life saving.
- Connections with family and friends** – Residents indicated they depend on airline service in Wyoming to stay connected with their families and friends. When electronic communication has overtaken every facet of our lives, a monetary value cannot be placed on actual face-to-face reunions.

Sheridan County Airport (SHR)

Sheridan is home to the Veterans Administration Medical Center (VAMC). The Center sees an estimated 12,500 patients each year, men and women who have served our country. Full-time and part-time employment at the Center is estimated at close to 400, making the Center one of the largest employers in the Sheridan area. Staff, vendors and suppliers of the Center make an estimated 800 round trips per year using airline service available at Sheridan County Airport. Scheduled air service at Sheridan County Airport is very important to enabling the VAMC to attract and retain qualified staff and to carry out its important medical mission for former military personnel.

Benefits of Airline Service to Wyoming Visitors

The Aeronautics Division’s research project included surveys of visitors arriving in Wyoming on a commercial airline. Over 1,500 visitor surveys were completed as part of the research project. Since survey respondents were sometimes traveling as a group, their responses represented almost 2,500 visitors to Wyoming. During 2013, an estimated total 374,326 visitors arrived in Wyoming on a commercial airline.

Of the visitors who participated in the survey, 49% reported they were traveling for pleasure/vacation, 34% reported they were traveling for business, and the remaining 17% reported they were traveling for other reasons such as school, sporting events, family emergencies, military orders, or other.

The following chart provides information on the number of average days each visitor who arrives on a commercial carrier stays in Wyoming. In addition, the chart shows information on estimated total spending per visitor per trip. This information was gathered primarily from surveys of visitors conducted in conjunction with this research project. Information for the Jackson Hole Airport was provided from a similar survey conducted by the airport.

Visitor Stay and Spending Patterns per Trip

Airport	Average Days Stayed Per Visitor	Average Spending Per Visitor Per Trip
Casper/Natrona County International Airport	4.4	\$695
Cheyenne Regional Airport-Jerry Olson Field	4.2	\$542
Gillette-Campbell County Airport	4.7	\$598
Jackson Hole Airport	6.4	\$1,810
Laramie Regional Airport	4.3	\$656
Riverton Regional Airport	4.7	\$476
Rock Springs-Sweetwater County Airport	4.6	\$593
Sheridan County Airport	4.4	\$545
Worland Municipal Airport	4.6	\$453
Yellowstone Regional Airport	4.8	\$658

Tourism is one of the primary drivers of Wyoming’s economy. Survey results show that both U.S. and international visitors come to Wyoming, attracted by national parks, resorts, skiing, guest ranches, outfitters, and hunting opportunities.

Many of the state’s guest ranches and outfitters indicate that their employment is over 90% dependent on visitors who arrive in Wyoming on commercial airlines. Many of the employers who are tourism-based indicate that without their guests being able to arrive in Wyoming on a commercial airline, they would not be in business.

Energy industries are also important to Wyoming’s economy. For visiting business travelers, over 50% of the survey respondents indicated that their trip was for a company with ties to energy, mineral, or mining industries. Almost without exception for business related visitors, survey responses noted that time savings realized by using commercial airline service at a Wyoming airport was extremely important. Many business respondents noted that airline service to and from a Wyoming airport enables them to save one or in some cases two days of travel time.

Yellowstone Regional Airport (COD)

Guest ranches throughout Wyoming rely heavily on commercial airline service to transport their guests to and from Wyoming. Without adequate scheduled commercial airline service, vacationers who currently travel to Wyoming could opt to vacation in other states. Operators of ranches in Wyoming such as 7D Ranch indicate that their operations would essentially cease to exist without airline service. Guest Ranches indicate their employment in Wyoming is 100 percent dependent on commercial airline service. Commercial airline service available at Yellowstone Regional Airport is important to all area guest ranches such as J Bar Ranch and Blackwater Lodge; outfitters; hotels/motels; and bed and breakfasts establishments. On a per person basis, it is not uncommon for hunters who fly to Cody to spend in excess of \$4,500 per trip.



Benefits of Airline Service to Wyoming Businesses

The research project included an online survey which was available to all employers in Wyoming. This survey was conducted with the assistance of many state agencies and organizations that provided outreach to their membership. The Wyoming Business Council assisted by contacting chambers of commerce and economic development groups in Wyoming so that their members could participate in the survey. With the assistance of WYDOT's Public Affairs Office, news and media outlets in Wyoming were also contacted. Through this outreach virtually all employers/businesses in the state were given the opportunity to provide input for the research project.

Key findings from the statewide business survey follow:

- **Over 90%** of responding businesses indicated that they rely on scheduled commercial airline service on a regular basis to improve the efficiency of their business and their employees.
- **Among 13 different factors** that could be considered when a Wyoming business decides to expand, proximity to an airport with commercial airline service tied for first among all factors.
- Energy/minerals and tourism are both essential to Wyoming's economy. Input from businesses in both of these sectors indicates that commercial airline service is absolutely critical to their ability to be successful in Wyoming. Within Wyoming, state sources indicate there are an estimated **30,580 jobs in tourist related industries** and there are **26,000 jobs in energy/mineral related industries**.
- The research project concluded that there are an estimated **38,100 jobs in Wyoming** that have their efficiency improved by using commercial airline service.

Many travelers who participated in this study's passenger survey were traveling for business. For passengers who were traveling for businesses with offices in Wyoming, several noted that commercial airline service is very important for them to be able to successfully recruit and retain talented employees. The Wyoming Business Council travels extensively to locations throughout the U.S. and abroad in order to attract high quality jobs to Wyoming. Without scheduled commercial airline service, the Wyoming Business Council's efforts would be adversely impacted.

Importance of Factors for Business Location



Source: WYDOT Aeronautics Division Online Survey 2012-2013

Gillette-Campbell County Airport (GCC)

Cloud Peak Energy, headquartered in Gillette, relies on airline service to and from Gillette-Campbell County Airport. The company has an estimated 1,600 employees in the area, making it a leading economic generator and employer for the Gillette/Campbell County area. Airline service is essential to Wyoming's ability to attract and retain these types of corporate headquarters. Many suppliers for the coal industry also travel to Gillette via commercial airline service. Vendors to the coal industry, such as American Equipment (mining equipment), BAS Consultants (mining safety), and Ingram Barge (coal transportation), report that they fly to Gillette on a regular basis. Airline service available at Gillette-Campbell County Airport provides convenient access to locations throughout the U.S. for both local and visiting companies.

Annual Economic Impacts of Commercial Airline Functions

The research project included analysis to measure the annual economic impacts of Wyoming’s commercial airports. This particular report focuses on just impacts associated with commercial airline functions.

Economic impacts estimated for Wyoming’s commercial airports were divided into on-airport impacts and off-airport impacts. On-airport impacts are associated with:

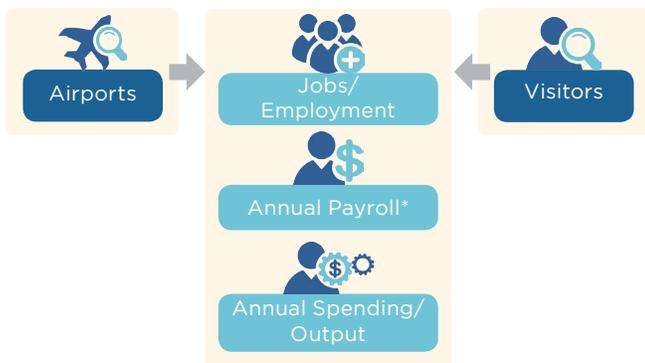
- Airport administrative functions
- Tenants that support commercial airlines, commercial passengers, or other commercial functions of the airport
- Capital investment needed to enable each airport to fulfill its role as a commercial airport

Sources of Economic Impact



Off-airport impacts are associated with spending by visitors who arrive on commercial airlines for hotels, food, transportation, retail, entertainment, and recreation.

Economic Impact Measures

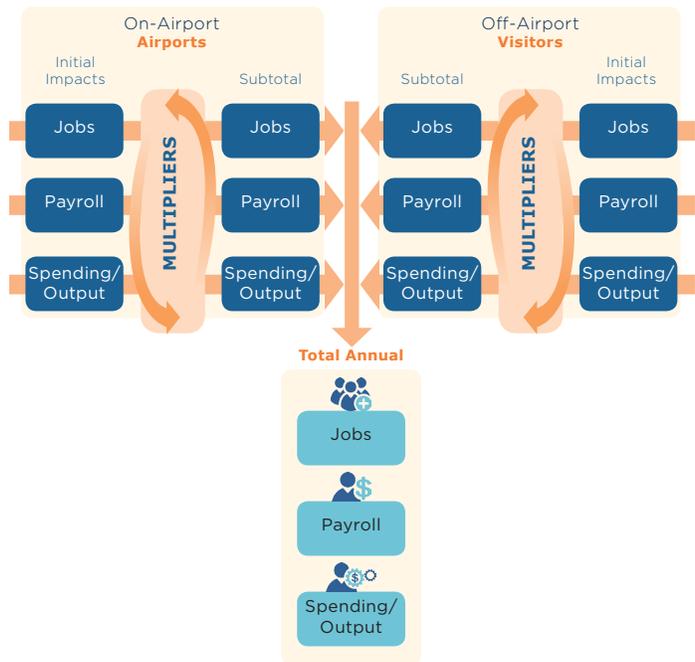


*Payroll includes wages and benefits

Economic impacts were estimated using three indicators: jobs, annual payroll (wages and benefits) associated with these jobs; and total annual economic activity or output.

Once “initial” impacts in each of these three measurement categories enter the economy, they generate successive waves of additional economic activity that are categorized as multiplier impacts. For each airport, the sum of initial and the multiplier impacts equal total annual economic impacts, as illustrated below.

Total Impacts: Sum of Initial and Multiplier Impacts



Data to estimate initial impacts was obtained from study airports, airport tenants, departing visitors, the Wyoming Aeronautics Division, and the Federal Aviation Administration (FAA). The IMPLAN (Impact Analysis for PLANning) input/output model, an economic impact software program, was used to estimate multiplier impacts. IMPLAN contains information that is specific to Wyoming which was used to estimate the number of times initial impacts in each category re-circulate in the state’s economy.

Individual airport estimates of annual economic impact presented in this summary were generated considering the total statewide impact that each commercial airport has on Wyoming’s economy.

More information on the process to estimate annual economic impacts for each airport is available on the Aeronautics Division website: www.dot.state.wy.us/home/aeronautics.html.

Annual On-Airport Economic Impacts from Commercial Airline Functions

On-airport initial economic impacts were estimated for airport administration, maintenance, and operations; airport aviation related tenants/businesses; and capital investment for airport expansion or improvement. For each of the commercial airports, total annual economic impacts in these categories are associated with a combination of commercial airlines, general aviation, and other airport activities. For this analysis, however, information was collected that facilitated isolating annual economic impacts that are attributable to each airport's commercial activities. Annual economic impacts related to commercial functions for each of Wyoming's commercial airports are presented here.

Airport	Jobs			Payroll			Output		
	Initial Impacts	Multiplier Impacts	Total Impacts	Initial Impacts	Multiplier Impacts	Total Impacts	Initial Impacts	Multiplier Impacts	Total Impacts
<i>Airport Administration</i>									
Casper/Natrona County International Airport	16	9	24	\$900,190	\$429,860	\$1,330,050	\$2,699,180	\$2,271,590	\$4,970,770
Cheyenne Regional-Jerry Olson Field	5	2	7	\$190,540	\$72,100	\$262,650	\$571,150	\$409,420	\$980,570
Gillette-Campbell County Airport	3	2	5	\$225,990	\$104,080	\$330,070	\$677,970	\$573,740	\$1,251,720
Jackson Hole Airport	73	27	100	\$3,268,760	\$1,372,330	\$4,641,090	\$9,806,270	\$3,753,170	\$13,559,440
Laramie Regional Airport	3	1	4	\$122,120	\$47,380	\$169,500	\$366,360	\$297,600	\$663,960
Riverton Regional Airport	3	2	5	\$192,490	\$124,890	\$317,380	\$576,990	\$523,420	\$1,100,410
Rock Springs-Sweetwater County Airport	4	2	6	\$245,500	\$86,410	\$331,910	\$736,500	\$571,910	\$1,308,410
Sheridan County Airport	2	2	4	\$160,350	\$104,650	\$265,000	\$480,200	\$439,380	\$919,570
Worland Municipal Airport	<1	<1	2	\$52,380	\$21,620	\$74,000	\$157,010	\$131,670	\$288,670
Yellowstone Regional Airport	4	3	7	\$205,250	\$138,710	\$343,960	\$615,310	\$494,640	\$1,109,950
<i>Airport Tenants</i>									
Casper/Natrona County International Airport	186	77	263	\$8,228,370	\$3,754,850	\$11,983,220	\$27,850,480	\$17,146,650	\$44,997,140
Cheyenne Regional-Jerry Olson Field	218	113	331	\$25,373,860	\$4,415,570	\$29,789,430	\$38,499,320	\$16,185,030	\$54,684,340
Gillette-Campbell County Airport	19	8	27	\$508,010	\$396,260	\$904,270	\$3,060,330	\$1,485,120	\$4,545,460
Jackson Hole Airport	271	148	419	\$17,117,860	\$8,588,920	\$25,706,780	\$74,423,100	\$21,456,360	\$95,879,470
Laramie Regional Airport	11	19	29	\$599,280	\$696,830	\$1,296,110	\$7,394,570	\$5,004,940	\$12,399,510
Riverton Regional Airport	22	9	31	\$618,080	\$375,330	\$993,410	\$2,701,660	\$1,337,400	\$4,039,060
Rock Springs-Sweetwater County Airport	17	6	24	\$750,980	\$270,360	\$1,021,340	\$2,638,140	\$1,462,420	\$4,100,570
Sheridan County Airport	31	26	57	\$1,564,640	\$1,438,280	\$3,002,920	\$7,462,580	\$6,102,010	\$13,564,590
Worland Municipal Airport	12	8	20	\$554,700	\$297,510	\$852,210	\$2,485,270	\$1,813,410	\$4,298,680
Yellowstone Regional Airport	32	19	50	\$1,166,630	\$891,170	\$2,057,800	\$5,465,470	\$3,131,710	\$8,597,180
<i>Capital Investment</i>									
Casper/Natrona County International Airport	6	3	9	\$453,580	\$140,710	\$594,290	\$1,093,580	\$582,060	\$1,675,630
Cheyenne Regional-Jerry Olson Field	6	4	10	\$461,590	\$170,390	\$631,980	\$1,828,240	\$1,062,530	\$2,890,780
Gillette-Campbell County Airport	3	1	4	\$191,430	\$62,340	\$253,770	\$618,530	\$344,300	\$962,830
Jackson Hole Airport	60	15	75	\$4,118,590	\$957,870	\$5,076,460	\$9,261,910	\$2,329,240	\$11,591,150
Laramie Regional Airport	2	1	4	\$131,150	\$57,770	\$188,910	\$638,570	\$398,310	\$1,036,880
Riverton Regional Airport	6	3	9	\$285,070	\$148,950	\$434,010	\$1,424,470	\$842,170	\$2,266,640
Rock Springs-Sweetwater County Airport	4	2	6	\$365,320	\$95,250	\$460,570	\$1,023,380	\$496,970	\$1,520,350
Sheridan County Airport	5	3	9	\$325,430	\$140,790	\$466,230	\$1,310,750	\$793,340	\$2,104,090
Worland Municipal Airport	3	2	5	\$166,020	\$74,440	\$240,460	\$907,910	\$556,910	\$1,464,820
Yellowstone Regional Airport	19	8	27	\$964,050	\$324,840	\$1,288,880	\$2,342,720	\$1,188,600	\$3,531,320

Note: Annual commercial impacts presented here are a subset of each airport's total annual economic impacts. All numbers have been rounded. As a result, individual cells may not sum to the total shown.

Annual Off-Airport Economic Impacts from Commercial Airline Visitors

Off-airport economic impacts were also measured as they relate to spending by visitors who arrive in Wyoming on a commercial airline. Once these visitors are in Wyoming, they have expenditures for lodging, food, local transportation, recreation/entertainment, retail purchases, and other items. Total estimated annual visitor spending is essentially equal to output. Once annual spending/output for visitors is estimated, the IMPLAN model has ratios that identify the number of jobs supported for every \$1 million in visitor spending. Most of the jobs supported by visitor spending are in service industries, and average salaries for these jobs were obtained from IMPLAN.

Annual Economic Impacts from Commercial Visitor Spending

Airport	Jobs			Payroll			Output		
	Initial Impacts	Multiplier Impacts	Total Impacts	Initial Impacts	Multiplier Impacts	Total Impacts	Initial Impacts	Multiplier Impacts	Total Impacts
Casper/Natrona County International Airport	407	97	504	\$11,006,000	\$5,321,000	\$16,327,000	\$29,427,000	\$13,933,000	\$43,360,000
Cheyenne Regional-Jerry Olson Field	45	12	57	\$1,070,000	\$525,000	\$1,595,000	\$3,100,000	\$1,651,000	\$4,751,000
Gillette-Campbell County Airport	104	22	126	\$2,186,000	\$1,138,000	\$3,324,000	\$6,774,000	\$3,244,000	\$10,017,000
Jackson Hole Airport	6,054	1,110	7,164	\$204,293,000	\$77,697,000	\$281,972,000	\$477,495,000	\$166,118,000	\$643,613,000
Laramie Regional Airport	64	19	83	\$1,499,000	\$737,000	\$2,237,000	4,412,000	\$2,372,000	\$6,783,000
Riverton Regional Airport	52	14	66	\$1,165,000	\$576,000	\$1,732,000	\$3,473,000	\$1,800,000	\$5,273,000
Rock Springs-Sweetwater County Airport	89	16	105	\$2,127,000	\$706,000	\$2,833,000	\$6,138,000	\$2,255,000	\$8,394,000
Sheridan County Airport	60	20	79	\$1,587,000	\$826,000	\$2,413,000	\$4,329,000	\$2,501,000	\$6,830,000
Worland Municipal Airport	9	3	12	\$223,000	\$102,000	\$325,000	\$641,000	\$360,000	\$1,000,000
Yellowstone Regional Airport	190	52	242	\$3,406,000	\$1,834,000	\$5,240,000	\$11,458,000	\$6,079,000	\$17,537,000
Total	7,073	1,365	8,438	\$228,561,000	\$89,436,000	\$317,997,000	\$547,247,000	\$200,312,000	\$747,559,000

Note: All numbers have been rounded. As a result, individual cells may not sum to the total shown.

Laramie Regional Airport (LAR)

The University of Wyoming is a major employer in Laramie and relies on air service at Laramie Regional. The University has an estimated enrollment of 13,000 with about 750 full-time and 775 part-time staff. The University relies on airline service at Laramie Regional for staff, students, families, and other visitors from around the U.S. and the world. The availability of commercial airline service in Laramie helps the University to attract qualified and experienced faculty. In addition, with scheduled airline service directly to Laramie, the University can attract students from around the U.S., as well as from international locations.

Riverton Regional Airport (RIW)

There are many companies engaged in various aspects of the oil and gas industry that benefit from using Riverton Regional Airport. Businesses are able to travel to Riverton as a result of commercial airline service that is available at the Riverton Regional Airport; many of these companies are flying to Riverton to connect with local branch operations or customers in the Riverton area. Oil and gas related companies fly to Riverton from locations throughout the U.S. and Canada. These companies provide services to the oil and gas industry that range from exploration, production, equipment, support services, employee safety, security, transportation, and communications. Examples of these energy related companies include: Devon Energy, Contek Solutions, Continental Operating Company, Encana, Groendyke Transportation, Strand Energy, NIOSH Research Lab, Tetra Technologies, and Spartan Engineering. The fact that these businesses, which support all facets of the oil and gas industry, can travel to Riverton is a tremendous asset to local businesses and to employment in the Riverton area.

Total Annual Economic Impacts for Commercial Airline Functions

When they are summed, annual economic impacts from on-airport (airport administration, airport tenants, and capital investment) and off-airport impacts (visitor spending) equal the total annual economic impact related to commercial airline activities for each of Wyoming's commercial airports.

Airport	Jobs			Payroll			Output		
	Initial Impacts	Multiplier Impacts	Total Impacts	Initial Impacts	Multiplier Impacts	Total Impacts	Initial Impacts	Multiplier Impacts	Total Impacts
Casper/Natrona County International Airport	615	185	800	\$20,588,200	\$9,646,060	\$30,234,270	\$61,070,360	\$33,933,130	\$95,003,490
Cheyenne Regional-Jerry Olson Field	275	131	405	\$27,096,270	\$5,183,130	\$32,279,410	\$43,998,510	\$19,308,030	\$63,306,530
Gillette-Campbell County Airport	129	34	163	\$3,111,680	\$1,700,890	\$4,812,570	\$11,130,450	\$5,646,970	\$16,777,420
Jackson Hole Airport	6,458	1,300	7,758	\$228,798,070	\$88,597,910	\$317,395,980	\$570,986,030	\$193,657,180	\$764,643,210
Laramie Regional Airport	80	40	120	\$2,351,700	\$1,539,480	\$3,891,180	\$12,811,380	\$8,072,400	\$20,883,780
Riverton Regional Airport	82	29	111	\$2,260,320	\$1,216,500	\$3,476,820	\$8,176,490	\$4,502,760	\$12,679,260
Rock Springs-Sweetwater County Airport	114	27	141	\$3,488,370	\$1,158,110	\$4,646,480	\$10,536,510	\$4,786,570	\$15,323,080
Sheridan County Airport	99	51	149	\$3,637,360	\$2,509,350	\$6,146,710	\$13,582,750	\$9,835,810	\$23,418,570
Worland Municipal Airport	25	13	38	\$995,880	\$496,030	\$1,491,910	\$4,190,880	\$2,861,660	\$7,052,540
Yellowstone Regional Airport	244	82	326	\$5,741,820	\$3,188,620	\$8,930,450	\$19,881,200	\$10,893,760	\$30,774,960
Total All Commercial Airports	8,122	1,891	10,012	\$298,069,700	\$115,236,080	\$413,305,780	\$756,364,570	\$293,498,280	\$1,049,862,850

Note: These impacts are a subset of each airport's total economic impact. All numbers have been rounded. As a result, individual cells may not sum to the total shown.

As shown in the table above, when all impact categories are considered, commercial functions at the ten commercial airports in Wyoming are contributing the following statewide annual economic impacts:

Jobs

10,012



Annual Payroll

\$413.3 million



Annual Output

\$1 billion



Annual Tax Revenues from Activities Supported by Commercial Airports

In addition to economic impacts, the Wyoming commercial airports included in this research also contribute to state and local tax revenues. The research project estimated annual tax revenues associated with airline functions at the commercial airports as they relate to state and local sales tax, lodging taxes, and taxes on rental cars. Tax revenues in these categories are associated with airport employees, airport tenants, and visitors arriving in Wyoming on a commercial airline.

On an annual basis, the commercial airports contribute a total of **\$46.3 million** to state and total tax revenues.

Annual State and Local Tax Revenues from Commercial Airline Functions

Airport	State & Local Tax Revenues
Casper/Natrona County International Airport	\$3,067,400
Cheyenne Regional Airport-Jerry Olson Field	\$872,180
Gillette-Campbell County Airport	\$667,160
Jackson Hole Airport	\$38,092,500
Laramie Regional Airport	\$760,380
Riverton Regional Airport	\$377,860
Rock Springs-Sweetwater County Airport	\$508,840
Sheridan County Airport	\$768,700
Worland Municipal Airport	\$211,440
Yellowstone Regional Airport	\$969,270
Total Annual Tax Revenues	\$46,295,730

Yellowstone Regional Airport (COD)

Marathon Oil has various operations in northwestern Wyoming, and the company depends on commercial airline service available at Yellowstone Regional. The company is expanding the number of wells it has operating in the Cody area. Marathon estimates it has over 200 local employees and that between 20% and 30% of these employees rely on air service at the airport on a regular basis to improve their efficiency. According to a company spokesperson, Marathon contributes about 34% of the county's annual tax revenues, which equates to approximately \$352 million in local tax revenues. Commercial airline service at Yellowstone Regional Airport helps to support these local tax revenues.

Rock Springs-Sweetwater County Airport (COD)

With an estimated employment of 230, Simplot Phosphates is a major employer in the Rock Springs area. The company is part of J.R. Simplot which is one of the largest privately held food/agribusinesses in the U.S. Simplot Phosphates manufactures fertilizer, and the manufacturing process in Rock Springs is paired with resources from a second location in Vernal, Utah. Wyoming by-products from oil and natural gas are used to support the production process. According to information from the company, between their Rock Springs and Vernal locations, their annual expenditures are over \$57 million for local goods and services; \$38.3 million in salaries; and local tax contributions are estimated at \$1.7 million. A company representative indicates that Simplot Phosphates relies on airline service available at the Rock Springs-Sweetwater County Airport to support employee travel beyond Wyoming. Air service at the airport enables corporate and other company representatives to travel to Rock Springs, and air service enables vendors and suppliers of the company to reach them by air using the Rock Springs-Sweetwater County Airport.



Near Term Future for Airline Service

In the near term, continued changes in the commercial airline industry are expected. As costs to provide commercial airline service continue to escalate, further consolidation in the industry can be expected. Additional carrier consolidation and replacement of smaller commercial aircraft (50 seats or less) with aircraft with higher seating capacities will continue. Statistics show that many commercial aircraft seating 19 to 30 passengers have already been removed from airline fleets, and several carriers have plans to retire large numbers of their 50-seat or fewer regional jets.

Several Wyoming airports are now served by 50-seat regional jets. If the seating capacity of aircraft serving Wyoming airports increases, airports that currently have sufficient passenger demand to support three departing daily flights on a 50-seat aircraft will have to increase their number of departing passengers to support three economically viable departures on a 70-seat aircraft. If the seating capacity of commercial aircraft serving Wyoming airports increases, the number of daily departing flights could be decreased unless the number of boarding passengers increases or other incentives to continue existing flight frequencies are identified.

Wyoming's commercial airports compete with other commercial airports for available opportunities to expand commercial airline service. This competition pertains to maintaining existing service and to attracting additional service. Under airline deregulation, states and airports have no control over airline service, but they are sometimes able to influence decisions by the carriers to provide new or continue existing airline service.

Potential Impact of Larger Commercial Aircraft

		2 Flights	3 Flights
	30 Seats	60 seats	90 seats
	50 Seats	100 seats	150 seats
	66-70 Seats	140 seats	210 seats
	86-90 Seats	180 seats	270 seats
	117 Seats	234 seats	351 seats

As this summary clearly demonstrates, commercial airline service is both an essential economic and transportation resource for Wyoming. It is important to recognize that Wyoming's relative success related to its commercial airline service has come through both local and state commitments to provide Wyoming residents, businesses, and visitors with the best available commercial airline service.

The research project completed by the WYDOT Aeronautics Division shows that commercial airports and activities they support account for:



- An estimated 10,012 jobs
- \$1 billion in annual economic activity
- An estimated \$46.3 million in annual local and state tax revenues.

The study completed by the Aeronautics Division concludes the following:



- For every passenger using a commercial airport to board a commercial airline flight in Wyoming, the state realizes \$220 in annual economic impact.
- For every passenger using a commercial airport to board a commercial airline flight in Wyoming, the state realizes \$2,000 in annual state and local tax revenues.

Commercial airports and airline service provides Wyoming with many tangible and intangible benefits. As summarized in this report, while commercial airline service is an important resource, it is also a fragile and ever changing resource. Continued diligence will be required going forward to help Wyoming's commercial airports and the communities they serve to maintain and improve commercial airline service.



2013 WYOMING AIRPORTS *Economic Impact Study*



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