

The Standard Industry Fare Level Methodology for Determining
Change in Operating Expense per Available Seat-Mile
Domestic Operations of the Major Carriers

Y.E. March 31, 2026

Total Operating Expense 1/ (000)	\$177,923,371
Less: Property and Mail Revenue 2/ (000)	\$7,562,436
Charter Revenues 3/ (000)	\$842,647
Transport Related Expense Plus Subsidy 4/ (000)	\$24,889,080
Passenger Operating Expense (000)	\$144,629,208
Passenger Fuel Cost 5/ (000)	\$25,874,145
Passenger Non-Fuel Cost (000)	\$118,755,063
Scheduled Service Available Seat-Miles (millions)	943,703
Non-Fuel Operating Expense per Seat-Mile	12.584 ¢
Fuel Expense per Seat-Mile	2.742 ¢
Total Expense per Seat-Mile	15.326 ¢

Y.E. March 31, 2025

Total Operating Expense 1/ (000)	\$170,469,231
Less: Property and Mail Revenue 2/ (000)	\$6,980,937
Charter Revenues 3/ (000)	\$809,605
Transport Related Expense Plus Subsidy 4/ (000)	\$22,225,575
Passenger Operating Expense (000)	\$140,453,113
Passenger Fuel Cost 5/ (000)	\$26,730,744
Passenger Non-Fuel Cost (000)	\$113,722,370
Scheduled Service Available Seat-Miles (millions)	933,506
Non-Fuel Operating Expense per Seat-Mile	12.182 ¢
Fuel Expense per Seat-Mile	2.863 ¢
Total Expense per Seat-Mile	15.046 ¢

Estimated Expense per Available Seat-Mile at April 1, 2026

Percent Change in Non-Fuel Unit Expense 6/ (%)	3.30%
Projected Change in Non-Fuel Unit Expense	
Y.E. March 31, 2026 to April 01, 2026 7/ (%)	1.64%
Percent Change in Unit Fuel Expense 6/ (%)	-4.25%
Change in Fuel Cost at April 1, 2026 8/	38.74%
Non-Fuel Expense per Available Seat-Mile at April 1, 2026 9/	12.790 ¢
Fuel per Available Seat-Mile at April 1, 2026 9/	3.804 ¢
Total Expense per Available Seat-Mile at April 1, 2026	16.594 ¢

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Expense per Available Seat-Mile at April 1, 2026	16.594 ¢
Projected Expense per Available Seat-Mile at July 1, 1977 10/	4.549 ¢
Cost Adjustment Factor at April 1, 2026	3.64778
Cost Adjustment Factor at October 1, 2025	3.37110
Percentage Change From Preceding Period:	8.21%

D.P.F.I. Formula Effective July 15, 1977 11/

Terminal Charge	\$16.16
Plus:	0.0884 per mile (0-500 miles)
	0.0674 per mile (501-1,500 miles)
	0.0648 per mile (Over 1,500 miles)

S.I.F.L. Formula Effective January 1, 2026 through June 30, 2026 12/

Terminal Charge	\$58.95
Plus:	0.3225 per mile (0-500 miles)
	0.2459 per mile (501-1,500 miles)
	0.2364 per mile (Over 1,500 miles)

1/ Total Operating Expense, all services, for the following major carriers: Alaska (AS), Allegiant Air (G4), American (AA), Delta (DL), Envoy Air (MQ), Frontier (F9), JetBlue (B6), Republic (YX), SkyWest (OO), Southwest (WN), Spirit (NK), United (UA), Sun Country (SY)

2/ Total scheduled service cargo revenue. Includes all mail, freight, express and excess baggage revenues.

3/ Total non-scheduled revenue times .95, assuming charter operations would only be conducted at a profit.

4/ No adjustment has been made for the difference between transport related revenues and transport related expenses. Amounts include subsidy payments.

5/ Total fuel cost, times complement of Property and Mail Revenue to Total Operating Expense.

6/ Change in unit rate from one year to the next.

7/ Percentage change (ratio) in Non-Fuel Unit Expense raised to the .50 power. (Unit rate projected six months from the midpoint of the base year to the midpoint of the six-month projection period.)

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9/ Operating Expense per Seat-Mile for the Y.E. March 31, 2026 times percentage changes, above.

10/ Year Ended March 1977 cost per ASM, times cost escalation factor of 1.04543 (to July 5, 1977). See D.P.F.I. Workpapers, Y.E. March 1977, and C.A.B. Order 80-12-96, which incorporated the capitalized lease adjustment required under F.A.S.B. standard 13.

11/ Order 77-7-26.

12/ D.P.F.I. Fare Formula effective July 15, 1977, times Cost Adjustment Factor at April 1, 2026

Note: Airlines have at times included special charges for aircraft groundings and impairments, workforce reductions and other similar special items in operating expenses. Because of the effort to reflect "normal" operations as part of the ratemaking nature of the SIFL calculation, adjustments are made as needed to total operating expenses to reflect these special items when they occur.

Fuel Price Per Gallon, Domestic Operations
of the Major, National and Large Regional Carriers

Month	Average Price per Gallon	Change From Preceding Month (%)
2024-July	257.69 ¢	
2024-August	244.95 ¢	-4.94%
2024-September	230.80 ¢	-5.78%
2024-October	228.29 ¢	-1.09%
2024-November	231.21 ¢	1.28%
2024-December	232.02 ¢	0.35%
2025-January	242.53 ¢	4.53%
2025-February	244.27 ¢	0.72%
2025-March	240.32 ¢	-1.62%
2025-April	230.71 ¢	-4.00%
2025-May	220.40 ¢	-4.47%
2025-June	221.04 ¢	0.29%
2025-July	234.09 ¢	5.90%
2025-August	229.64 ¢	-1.90%
2025-September	230.06 ¢	0.18%
2025-October	234.47 ¢	1.92%
2025-November	242.68 ¢	3.50%
2025-December	230.28 ¢	-5.11%
2026-January	235.40 ¢	2.23%
2026-February	238.90 ¢	1.48%
2026-March	321.48 ¢	34.57%
2026-April	407.30 ¢	26.70%
2026-May	405.40 ¢	-0.47%
2026-June	357.31 ¢	-11.86%
Fuel Cost/Gallon at April 1, 2026	331.81 ¢	
Fuel Cost/Gallon for Y.E. March 31, 2026	239.16 ¢	
Percentage Change (%)	38.74%	