
From: [REDACTED]
Sent: Tuesday, September 17, 2013 1:48 PM
To: Je vacation
Subject: Fw:
Attachments: 727 operation.pdf

How do I respond?

Sent via BlackBerry by AT&T

From: "JIM MILLER" <[REDACTED]>
Date: Tue, 17 Sep 2013 06:45:55 -0700
To: Larry<[REDACTED]>
ReplyTo: "JIM MILLER" <[REDACTED]>
Subject:

Good morning Larry,

I am following up on our last email separately.

Sultan received this yesterday and asked that I pass it on to you for comments on it's accuracy.

Thank you,

Jim

Please find attached an estimate of what I think the annual operational cost for a 727 is based on 400hrs private flying. Please ignore the aircraft type as Challenger 850 as I do not have the aircraft type in my list of aircraft. I will have to amend this once I am in the office. The numbers are based on the following assumptions from industry colleagues who operate 727's themselves :

- * Fuel burn of 1575 gallons per hour
- * Fuel price of 3.5USD per gallon. (this is roughly the price in Dubai but can increase when in Europe to almost double in some airports)
- * Maintenance reserves of 1,100USD per engine per hour (3,300USD per hr in total)
- * Variable cost of about 2000USD per hr (landing fees,catering,ground handling, laundry etc,phone bills etc)

Further to the above number, I have made some educated assumptions on salaries per year for the crew. These of course are subject to what you can negotiate but I doubt I am far off from reality:

- * 2 Captain at 120,000USD
- * 1 First Officer at 90000 USD
- * 2 Cabin Attendants at 69000USD
- * 1 Flight engineer at 90,000USD

The hourly cost is coming out to 14,327USD (5,730,540/400). In my opinion this is a conservative number and is likely to be higher if you regularly buy fuel abroad. . Noise restrictions in Europe are moving to stage 4 and currently the aircraft under consideration is certified for stage 3 and will be unable to fly into Europe once stage 4 is brought into effect.