

NEW



**U.S. Department of
Transportation**
Office of the Secretary
of Transportation

NOTICE OF ACTION TAKEN

February 13, 1998

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.

Application of **United Air Lines, Inc.** filed 2/6/98 in Docket **OST-98-3440** for:

XX Exemption for two years under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between Chicago, Illinois, and Osaka, Japan. United stated that it planned to begin these services in early July 1998 and requested expeditious issuance of the exemption in order to start marketing these services February 16, 1998.

On February 10, 1998, counsel for United informed the Department that it had polled the parties on the service list attached to its application and that, with the exception of American, no party had indicated any objection.¹ American stated that it would object to the granting of United's requests unless the Department also granted either American's waiver request in Docket OST-98-3431 (seeking Chicago-Tokyo pre-sale authority) or its Chicago-Tokyo exemption in Docket 98-3418.

The City of Chicago filed in support of United's application.

Applicant rep.: **Joel Stephen Burton 202-637-9130** DOT analyst: **Linda Senese, 202-366-2367**

DISPOSITION

XX *Granted.*

*The above action was effective when taken: **February 13, 1998,** through **February 13, 2000,** (or until 90 days after final Department action on United's certificate application in Docket OST-96-1131, whichever occurs earlier)*

XX *Under assigned authority (14 CFR 385) by:*

*Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of
this action.)*

XX **Exemption authority granted is consistent with the U.S.-Japan Memorandum of Consultations of 1998.²**

¹ TWA and Delta responded that they took no position.

² On January 30, 1998, delegations of the United States and Japan signed a Memorandum of Consultations (MOC) that included attached understandings regarding the elements to be included in a Memorandum of Understanding. The delegations also agreed that the provisions of those understandings would be in effect provisionally upon signing of the MOC, pending conclusion of an interim agreement.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity

XX Standard Exemption Conditions (attached)

Remarks: As noted in the Department's February 3, 1998, Notice regarding U.S.-Japan Combination Services, U.S.-Japan rights for incumbent carriers (United and Northwest) are unrestricted. The Notice went on to say that: "To the extent these carriers do not currently hold all of the authority that they need, they should file appropriate applications which we will process on an expedited basis." We found that United's application was plainly within the purview of the applications contemplated by our Notice, and we accordingly concluded that grant of the authority is consistent with the public interest. Regarding the position expressed by American, on February 13, 1998, we granted American's request in Docket 98-3418.

We acted on this application without awaiting expiration of the 15-day answer period for the reasons stated above, and with the consent of the parties served, as noted.

U.S. Carrier
Standard Exemption Conditions

In the conduct of the operations authorized by the attached order, the applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with the requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with the applicable requirements of the Federal Aviation Administration Regulations; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.