



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 14th day of October, 2020

Notice of

AERODYNAMICS INCORPORATED

of intent to resume operations under 14 CFR 204.7

Docket DOT-OST-2014-0114

In the matter of the revocation of the certificate
authority issued to

AERODYNAMICS INCORPORATED

pursuant to the provisions of 14 CFR 204.7

**ORDER DENYING WAIVER FROM DORMANCY,
DISMISSING NOTICE TO RESUME OPERATIONS,
AND REVOKING CERTIFICATE AUTHORITY**

Summary

By this Order, the U.S. Department of Transportation (the “Department”) is (1) denying the waiver from dormancy filed by Aerodynamics Incorporated (“ADI”) in Docket DOT-OST-2014-0114, (2) dismissing ADI’s notice to resume operations, and (3) revoking the certificate authority issued to ADI, for reason of dormancy.

Background

ADI’s certificate of public convenience and necessity to engage in interstate scheduled air transportation of persons, property, and mail was made effective May 20, 2016.¹ The company operated under this certificate until January 16, 2019, when it ceased operations.

Section 204.7 of the Department’s Economic Regulations (14 CFR § 204.7) provides that, if an air carrier ceases air transportation operations for which it was found fit, it may neither resume air transportation operations nor advertise such services until its fitness to do so has been re-determined by the Department. Section 204.7 further provides that, if an air carrier does not have its fitness re-determined and resume operations within one year of the date of its cessation, its certificate authority will be revoked for dormancy.

¹ See Order 2016-8-4.

By letter dated February 1, 2019, the Department advised ADI that, pursuant to section 204.7, its authority was automatically suspended as of January 16, 2019, and that the air carrier could not resume air transportation operations until the Department had re-determined its fitness to do so. The Department followed up with ADI by letter on November 14, 2019, reminding the air carrier of its upcoming revocation date of January 16, 2020, and stated that ADI was required to file notice to the Department if it intended to resume operations. Such notice from ADI would need to be accompanied by data supporting the company's continuing fitness as required by section 204.3 of the Department's rules (14 CFR 204.3), including current information on ADI's ownership, key management and technical personnel, and citizenship, along with current financial documents, operating plans and compliance disposition reports.

By letter dated November 19, 2019, ADI filed a request for a 90-day extension of its one-year revocation date of January 16, 2020, stating its intent to restart scheduled operations in the first quarter of 2020. The air carrier provided some, but not all, of the information required by section 204.3. Specifically, the company provide a list of financial resources, a pre-application statement of intent to the Federal Aviation Administration ("FAA"), a list of key personnel, compliance questionnaires, and a statement of incorporation.

By letter dated January 16, 2020, the Department granted the requested extension until April 16, 2020. In its letter, the Department reminded ADI to provide adequate evidence that it had completed nearly all the steps to commence operations, including having the necessary personnel, financial resources, and aircraft, and that it was taking the necessary steps to return its FAA-issued Operations Specifications to a level that would allow it to commence operations.

By letter dated April 4, 2020, ADI requested a second waiver from the dormancy provisions of section 204.7. In this case, the air carrier asked for a 180-day extension, stating that "with the ongoing effects of the global pandemic caused by the novel coronavirus of 2019, the airline industry worldwide is experiencing extraordinary disruption to business and operations. With this upheaval, ADI is facing significant and unforeseen obstacles in its efforts to resume air operations."

In a letter dated April 9, 2020, the Department granted ADI's request for a 180-day extension, *i.e.*, until October 13, 2020, and noted that in cases such as ADI's, where more than a year had elapsed since an air carrier had conducted certificated operations, it was the Department's practice to issue a Show Cause Order finding the air carrier fit before authorizing it to resume operations. In granting the extension, the Department again reminded the air carrier of the need to provide complete information supporting the company's economic fitness and that we would confirm with the FAA the company's progress towards reactivating its Operations Specifications. Additionally, the Department stated that should ADI be unable to meet these requirements by October 13, 2020, it would revoke ADI's certificate without prejudice and encourage ADI to reapply for proper authority at a later date.

The Department, by letter on July 31, 2020, reminded ADI of its impending revocation date of October 13, 2020. In response, by letter dated August 26, 2020, ADI notified the Department of a revised return to scheduled service and requested a third waiver from the dormancy provisions

of section 204.7, for an additional 180 days. ADI stated that the air carrier had entered a joint venture with a partner willing to provide financial support, with a closing anticipated to occur in mid-October 2020. ADI further stated that an additional 180 days will allow the air carrier time to submit the required fitness information and obtain effective FAA Operations Specifications.

Decision

Despite repeated grants of extension from the dormancy provisions of section 204.7 and reminders to file current information that supports the air carrier's continued fitness and ability to resume operations, the record is still substantially incomplete. No information was provided updating ADI's ownership, key management and technical personnel, financial position, and compliance disposition. In addition, the FAA informed the Department that the air carrier does not have an aircraft on its operating certificate and estimates that ADI's return to operations would take approximately four to six months.

It is not the Department's policy to routinely allow waivers from the dormancy provisions except where "good cause" has been shown. In showing good cause, the Department generally expects a company to demonstrate that it continues to meet the Department's fitness test and it is well advanced in its preparations to resume operations, including taking steps to obtain FAA operating authority. ADI has not met either of these criteria.

Considering these circumstances, the Department has decided to deny ADI's August 26, 2020, request for a waiver from the dormancy provisions of section 204.7, dismiss ADI's notice to resume operations, and revoke the certificate authority held by ADI for reasons of dormancy. This action is being taken without prejudice to any future applications that ADI may wish to file for new air carrier authority.

ACCORDINGLY, Pursuant to authority assigned by the Department in its regulations, 14 CFR 385.12:

1. The Department denies the application for a waiver of the dormancy provisions of 14 CFR 204.7 and dismisses the Notice of intent to resume operations filed by Aerodynamics Incorporated in Docket DOT-OST-2014-0114.
2. The Department revokes the certificate of public convenience and necessity issued to Aerodynamics Incorporated by Order 2016-8-4 authorizing it to engage in interstate scheduled air transportation of persons, property, and mail.
3. The Department will serve a copy of this order on the persons listed in Attachment A.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.30, may file their petitions within 10 days of this service date of this order.

This order is effective immediately and the filing of a petition for review shall not alter its effectiveness.

By:

TODD M. HOMAN
Director
Office of Aviation Analysis

An electronic version of this document is available online at:
<http://www.regulations.gov>

ATTACHMENT A

**SERVICE LIST FOR
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