

| | | |
|------------------------------------|---|--------------------------|
| |) | |
| Joint Application of |) | |
| |) | |
| ENVOY AIR, INC. and |) | Docket DOT-OST-2016-0021 |
| PSA AIRLINES, INC. |) | |
| |) | |
| for renewal of exemption authority |) | |
| pursuant to 49 U.S.C. § 40109 |) | |
| (Miami, Florida – Havana, Cuba) |) | |
| |) | |

DATED: April 2, 2020

**BEFORE THE
U.S. DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

| | | |
|------------------------------------|---|--------------------------|
| Joint Application of |) | |
| |) | |
| |) | |
| ENVOY AIR, INC. and |) | Docket DOT-OST-2016-0021 |
| PSA AIRLINES, INC. |) | |
| |) | |
| for renewal of exemption authority |) | |
| pursuant to 49 U.S.C. § 40109 |) | |
| (Miami, Florida – Havana, Cuba) |) | |
| |) | |

**JOINT APPLICATION OF ENVOY AIR, INC. AND
PSA AIRLINES, INC. FOR RENEWAL OF AN EXEMPTION
(Miami, Florida – Havana, Cuba)**

Pursuant to 49 U.S.C. § 40109 and Subpart C of the Department of Transportation’s (“Department”) Rules of Practice (14 C.F.R. Part 302), Envoy Air, Inc. (“Envoy”) and PSA Airlines, Inc. (“PSA”) (together, the “Joint Applicants”) apply for renewal of their exemption authority to engage in scheduled foreign air transportation of persons, property, and mail between Miami, Florida, and Havana, Cuba. The Joint Applicants request that the exemption be renewed for a period of at least two years consistent with Department precedent.

In support of this renewal application, the Joint Applicants respectfully state as follows:

1. Envoy is a Delaware corporation with its principal office at 4301 Regent Boulevard, Irving, Texas 75063. PSA is a Pennsylvania corporation with its principal office at 3400 Terminal Drive, Vandalia, Ohio 45377. Envoy and PSA are wholly-owned subsidiaries of American Airlines Group.

Joint Application of Envoy and PSA
For Renewal of Exemption Authority
(Miami, Florida – Havana, Cuba)

2. Envoy and PSA are citizens of the United States within the meaning of 49 U.S.C. § 40102(a)(15)(C) and are fit, willing, and able to provide the services contemplated by this Joint Application. Envoy and PSA each hold various certificates of public convenience and exemption authorities.¹ Pursuant to Rule 24 of the Department's Rules of Practice, the Joint Applicants request that the Department take official notice of all information previously filed to establish the fitness of Envoy and PSA.

3. On June 4, 2018, the Department granted two-year exemption authority under 49 U.S.C. § 40109 to Envoy and PSA allowing each to engage in scheduled foreign air transportation of persons, property, and mail between Miami, Florida, and Havana, Cuba, among other U.S.-Cuba city pairs.² (Notice of Action Taken, issued on June 4, 2018, in Docket DOT-OST-2016-0021.)³

4. Renewal of Envoy's and PSA's exemption authority will greatly serve the public interest by enabling American to offer consumers enhanced U.S.-Cuba services while supporting

¹ See, e.g., Notice of Action Taken re Envoy Air, Inc., Docket DOT-OST-2016-0140 (August 10, 2016) (granting exemption authority to Envoy to operate service on several U.S.-Mexico routes); Notice of Action Taken re PSA Airlines, Inc., Docket DOT-OST-2004-18017 (Apr. 10, 2014) (renewing PSA's exemption authority to operate service between Charlotte, North Carolina, and Freeport, Bahamas.)

² The June 4, 2018, Notice of Action Taken also granted Envoy and PSA exemption authority allowing scheduled foreign air transportation of persons, property, and mail between Charlotte, North Carolina, and Havana, Cuba; Miami, Florida, and Camagüey, Cuba; Miami, Florida, and Holguin, Cuba; Miami, Florida, and Matanzas, Cuba; and Miami, Florida, and Santa Clara, Cuba. Envoy and PSA no longer offer service between Charlotte and Havana. Envoy and PSA thus do not seek renewal of the Charlotte-Havana exemption. In addition, due to the Department's October 25, 2019, notice suspending scheduled foreign air transportation between any point in the United States and any point in Cuba, except José Martí International Airport (HAV) in Havana, Envoy and PSA terminated service to those other Cuban points.

³ Envoy and PSA initially sought U.S.-Cuba exemption authority in conjunction with a joint application with American Airlines, Inc. ("American") and Piedmont Airlines, Inc. ("Piedmont") for U.S.-Cuba aircraft flexibility permitting American to use either its mainline aircraft or Envoy's, PSA's or Piedmont's regional aircraft on American's nonstop U.S.-Cuba routes. Piedmont, another wholly-owned subsidiary of American Airlines Group, is a commuter carrier operating pursuant to 14 C.F.R. Part 298 and the exemption authority accorded by that Part. Thus, Piedmont does not require additional underlying exemption authority to conduct service on American's U.S.-Cuba routes per the flexibility granted by the Department in its June 4, 2018, Notice of Action Taken.

Joint Application of Envoy and PSA
For Renewal of Exemption Authority
(Miami, Florida – Havana, Cuba)

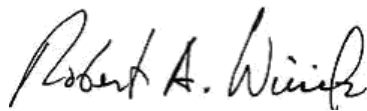
commerce and providing substantial competition to other carriers serving Havana, Cuba, from the United States.⁴

5. The exemption authority sought in this renewal application is fully consistent with the Memorandum of Understanding Between the Government of the United States of America and the Government of the Republic of Cuba, signed February 16, 2016. (*See* Notice of Action Taken, June 4, 2018, Docket DOT-OST-2016-0021.)

6. Pursuant to 14 C.F.R. § 377.10, Envoy and PSA intend to rely on the Administrative Procedures Act, 5 U.S.C. § 558(c), as implemented by Part 377, to continue in effect their current exemption authority pending a final determination on this renewal application. Envoy's and PSA's current exemption authority is effective through June 4, 2020. Accordingly, this renewal application is timely filed under the provisions of Part 377.

WHEREFORE, Envoy and PSA respectfully request that the Department renew for a two-year period their exemption authority to engage in scheduled foreign air transportation of persons, property, and mail between Miami, Florida (MIA), and Havana, Cuba (HAV), as discussed herein.

Respectfully submitted,



Robert A. Wirick
Managing Director
International Government Affairs

⁴ While the Instituto Aeronáutica Civil de Cuba has halted all flights to Cuba in an effort to reduce the spread of the Novel Coronavirus (COVID-19), the Joint Applicants are filing this application to maintain their exemption authority for when MIA-HAV service resumes.

Joint Application of Envoy and PSA
For Renewal of Exemption Authority
(Miami, Florida – Havana, Cuba)

John B. Williams
Senior Analyst
International Government Affairs

American Airlines, Inc.
1200 17th Street, NW, Suite 400
Washington, DC 20036
(682) 278-0096
robert.wirick@aa.com
john.b.williams@aa.com

April 2, 2020

CERTIFICATE OF SERVICE

I certify that, on April 2, 2020, I caused to be served a copy of the foregoing Application of Envoy and PSA for Renewal of Exemption Authority, by email upon those addressees listed below:

forsbergap@state.gov (Department of State)
brian.hedberg@dot.gov (Department of Transportation)
david.short@dot.gov (Department of Transportation)
todd.homan@dot.gov (Department of Transportation)
peter.irvine@dot.gov (Department of Transportation)
laura.remo@dot.gov (Department of Transportation)
brett.kruger@dot.gov (Department of Transportation)
john.s.duncan@faa.gov (Federal Aviation Administration)
eugene.alford@trade.gov (Department of Commerce)
dan.weiss@united.com (United)
steve.morrissey@united.com (United)
abried@jenner.com (Counsel for United)
alex.krulic@delta.com (Delta)
chris.walker@delta.com (Delta)
steven.seiden@delta.com (Delta)
robert.land@jetblue.com (JetBlue)
reese.davidson@jetblue.com (JetBlue)
bob.kneisley@wnco.com (Southwest)
leslie.abbott@wnco.com (Southwest)
robert.cohn@hoganlovells.com (Mesa)
patrick.rizzi@hoganlovells.com (Mesa)
anne.bechdolt@fedex.com (FedEx)
sllunsford@fedex.com (FedEx)
info@airlineinfo.com



G. Brent Connor