BEFORE THE DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Application of)	
ALASKA AIRLINES, INC.)	Docket DOT-OST-2016-0149
)	
For renewal of exemption authority)	
Pursuant to 49 U.S.C. § 40109)	
)	

APPLICATION OF ALASKA AIRLINES, INC. FOR RENEWAL OF EXEMPTION AUTHORITY (U.S.-MEXICO)

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DATED: April 28, 2020

BEFORE THE DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

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APPLICATION OF ALASKA AIRLINES, INC. FOR RENEWAL OF EXEMPTION AUTHORITY (U.S.-MEXICO)

Pursuant to 49 U.S.C. § 40109 and Subpart C of the Department's Rules of Practice (14 C.F.R. Part 302), Alaska Airlines, Inc. ("Alaska") hereby applies for renewal of its exemption authority to engage in scheduled foreign air transportation of persons, property and mail between points in the United States and points in Mexico and beyond to the full extent available under the amended U.S.-Mexico Air Transport Agreement signed December 18, 2015, which entered into full force and effect on August 21, 2016 ("Agreement"). Alaska requests that the exemption be granted for a period of at least two years, consistent with DOT precedent, or until the effective date of Alaska's U.S.-Mexico certificate authority, whichever occurs first.²

In support of its application, Alaska states as follows:

1. Alaska is an air carrier whose principal headquarters are located at 19300 International Boulevard, Seattle, Washington. Alaska is incorporated under the laws of the State of Alaska and

¹ Air Transport Agreement between the Government of the United States of America and the Government of the United Mexican States, December 18, 2015.

² Alaska applied for a certificate of public convenience and necessity under 49 U.S.C. § 41102 and an initial exemption under 49 U.S.C. § 40109 on August 4, 2016 pursuant to the Department's Notice In the Matter of Streamlining Regulatory Procedures for Licensing U.S. and Foreign Air Carriers, dated August 23, 2005 (Docket DOT-OST-2005-22228). Alaska's request for certificate authority remains pending (Docket DOT-OST-2016-0149).

is a wholly owned subsidiary of Alaska Air Group, Inc. ("AAG"). AAG is incorporated under the laws of the State of Delaware.

- 2. Alaska is a citizen of the United States within the meaning of 49 U.S.C. § 40102(a)(15). Alaska has repeatedly been found fit, willing and able to provide interstate and foreign air transportation. Alaska holds certificates of public convenience and necessity authorizing it to engage in both U.S. domestic and scheduled foreign air transportation of persons, property, and mail, including on certain routes between the United States and points in Mexico, as well as between the United States and points in countries with which the United States has entered into open skies agreements.³
- 3. Alaska requests that the Department take official notice of the findings made in each of those dockets that Alaska is qualified to provide scheduled foreign air transportation of persons, property and mail, pursuant to Rule 24 of the Department's Rules of Practice (14 C.F.R. § 302.24(g)). Thus, Alaska is fit, willing and able to provide scheduled foreign air transportation of persons, property and mail between points in the United States and points in Mexico.
- 4. On July 17, 2018, the Department granted Alaska an exemption under 49 U.S.C. § 40109 to provide the following services:

Scheduled foreign air transportation of persons, property and mail (a) from a point or points in the United States to a point or points in Mexico; (b) from Dallas/Fort Worth and San Antonio to Mexico City, Toluca, and Acapulco, and beyond to points in Panama and beyond; (c) from New York, Washington, Baltimore, Los Angeles, and Houston, to Mexico City and Toluca, and beyond to a point or points in Central and/or South America; and (d) from a point or points in the United States, via an intermediate point or points, to a point or points in Mexico,

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³ In the Matter of the Reissuance of Interstate Scheduled Passenger Certificates, Order 98-7-6, dated July 8, 1998 (Docket DOT-OST-1998-4024); Application of Alaska Airlines, Inc. for Renewal and Amendment of Certificate of Public Convenience and Necessity (U.S.-Mexico), Order 2000-5-31, dated March 29, 2000 (Docket DOT-OST-1999-6276) (renewal currently pending); In the Matter of Blanket Open-Skies Route Authority, Order 2007-7-3, dated May 7, 2007 (Docket DOT-OST-2007-27790). Alaska has temporarily reduced service on its some of its U.S.-Mexico routes and suspended service on others, but plans to increase and/or resume service when market conditions permit.

and beyond, as mutually agreed in writing by the aeronautical authorities of the Parties; and

Scheduled foreign air transportation of property and mail (a) from a point or points in the United States, via an intermediate point or points, to a point or points in Mexico, and beyond; and (b) from a point or points in Mexico to any point.⁴

- 5. The Department has previously determined that the exemption authority sought herein is consistent with the Agreement between the United States and Mexico signed on December 18, 2015.⁵
- 6. The renewal of this exemption authority is consistent with the public interest because it will allows Alaska to continue to provide competitive and award-winning customer service between the United States and Mexico.
- 7. Approval of this application will have no impact on Alaska's Civil Reserve Air Fleet commitments and will not result in an increased near-term annual aviation fuel consumption of ten million gallons or more. All of Alaska's U.S.-Mexico flights are performed using Alaska's fuel-efficient B-737 or Airbus A319, A320, or A321 aircraft, which meet applicable noise requirements.
- 8. Pursuant to 14 C.F.R. § 377.10, Alaska intends to rely on 5 U.S.C. § 558(c) (the Administrative Procedure Act), as implemented by 14 C.F.R. Part 377, to continue its operations pursuant to the current exemption authority and pending a final determination on this renewal application. Alaska's current exemption authority is effective through July 17, 2020. Accordingly, this renewal application is timely filed under the provisions of Part 377.

⁴ Notice of Action Taken, July 17, 2018, Docket DOT-OST-2016-0149.

⁵ *Id*.

WHEREFORE, Alaska respectfully requests that the Department renew the current exemption authority requested herein.

Respectfully submitted,

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DATED: April 28, 2020

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Request for Renewal of Exemption by electronic mail upon the following:

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Dated: April 28, 2020

Spirit Airlines