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

In the Matter of

U.S.-HAVANA PUBLIC CHARTER AUTHORIZATIONS

Docket DOT-OST-2020-0011

## OBJECTION OF CUBA CHARTER SERVICES, LLC D/B/A AEROCUBA TO APPLICATION OF CARIBBEAN SUN AIRLINES, INC. D/B/A WORLD ATLANTIC AIRLINES FOR CHARTER POOL ALLOCATIONS

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June 15, 2020

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Pursuant to Order 2020-5-7 issued May 28, 2020 (the "Final Order"), Cuba Charter Services, LLC d/b/a Aerocuba ("Aerocuba") respectfully submits this objection to the application of Caribbean Sun Airlines, Inc. d/b/a World Atlantic Airlines ("WAA") for charter pool allocations. WAA will be unable to utilize the 287 allocations it requests from the charter pool and should not be permitted to warehouse this limited resource. Accordingly, the Department should deny WAA's application.

WAA's application requests 287 allocations from the U.S.-Havana charter pool.<sup>1</sup> WAA states it "would use the distribution to offer direct-sale, Miami-Havana charters under 14 C.F.R. § 212.7."<sup>2</sup>

Based on information and belief, Aerocuba is aware the Cuban Government permits only those entities with a landing agreement with Havanatur to provide charter services to Cuba. In turn, only public charter operators are permitted to contract with Havanatur. Stated differently, a public

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<sup>&</sup>lt;sup>1</sup> Letter of John Mietus, to Brett Kruger dated June 4, 2020 (Docket OST-2020-0011).

<sup>&</sup>lt;sup>2</sup> <u>Id.</u>

charter operator must be involved in charter operations to Cuba for the direct air carrier's operations to be authorized.

WAA, as a direct air carrier, is prohibited from conducting charter operations to Cuba without the involvement of an intermediate public charter operator. As such, the Cuban Government will not permit WAA to operate direct-sale public charters between the United States and Havana; and WAA will be unable to utilize the 287 allocations it requests from the charter pool. Those allocations should remain in the charter pool for allotment to direct air carriers with firm commitments with public charter operators to operate U.S.-Havana flights.

WAA also states it "has firm plans to use the requested distribution by selling seats directly to the U.S. traveling public and, as necessary, relying on an experienced partner to facilitate WAA's operations within Cuba." WAA's statement suggests it is aware of the Cuban Government requirement to utilize a public charter operator in order to operate charters to Cuba. WAA's statement also suggests WAA intends to warehouse the charter pool allocations it receives until such time as WAA locates a suitable public charter operator.

In the Final Order, the Department set forth express use-or-lose procedures "to prevent carriers from warehousing public charter allocations/allotments without plans to use them" The intent of those procedures would be circumvented should WAA be granted the 287 requested charter pool allocations only to sit on them until the carrier can locate a public charter operator to facilitate WAA's operations. The Final Order also confirmed, "it is not the Department's policy to allow valuable limited opportunities to go unused, and we hereby puts parties on notice that we reserve the right to take any action necessary in the

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<sup>&</sup>lt;sup>3</sup> <u>Id.</u> (Emphasis added.)

<sup>&</sup>lt;sup>4</sup> Final Order at p. 16.

public interest to ensure the integrity of the charter pool." WAA's application, if approved, represents just such an instance where these valuable limited opportunities would go unused. Accordingly, the Department should deny WAA's application to ensure the integrity of the charter pool.

WHEREFORE, for the reasons stated above, Cuba Charter Services, LLC d/b/a Aerocuba objects to the application of Caribbean Sun Airlines, Inc. d/b/a World Atlantic Airlines for 287 charter pool allocations and respectfully requests the Department deny that application.

Respectfully submitted,

Jason E. Maddup

Jason E. Maddux

Counsel for Cuba Charter Services, LLC d/b/a Aerocuba

June 15, 2020

<sup>5</sup> <u>Id.</u>

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## CERTIFICATE OF SERVICE

I certify on this 15th day of June, 2020, a copy of the foregoing objection has been served by electronic mail on the parties named below.

\_\_\_\_\_

Jason E. Maddup

Jason E. Maddux

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|--------------------------------|---------------------|--------------------------------|
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