

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

CONTINUATION OF CERTAIN AIR
SERVICE

Under Public Law 116-136 §§ 4005
and 4114(b)

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) Docket DOT-OST-2020-0037
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**SILVER AIRWAYS LLC REQUEST FOR
EXEMPTION FROM SERVICE OBLIGATION**

Communications with respect to this document should be addressed to:

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July 17, 2020

BEFORE THE
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**SILVER AIRWAYS LLC REQUEST FOR
EXEMPTION FROM SERVICE OBLIGATION**

Silver Airways LLC (“Silver”) hereby respectfully requests an extension of its exemption from certain minimum required air service levels (the “Service Obligation”) established under Order 2020-4-2 (the “Order”) for the Miami, Florida, and Orlando, Florida, metropolitan areas. In the Order, the Department set a Service Obligation of three (3) weekly flights for Silver at each of these points. On April 30, 2020, Silver requested that its Service Obligation be reduced to one (1) weekly flight at each such point. On May 12, 2020, through a Notice of Action Taken in the above-captioned docket, the Department of Transportation (the “Department”) granted Silver’s request.

Pursuant to the procedures established by the Department in Appendix D of the Order, Silver seeks to extend its exemption with respect to the Miami and Orlando metropolitan areas in order to continue in place a minimum service level of one (1) weekly flight at each such point, through September 30, 2020. As explained more fully herein, an extended exemption is in the public interest due to the uncertainty in near-term demand as the result of the continued COVID-19 public health emergency, especially in Florida.

First, the Department has already determined that an exemption for Silver at the Miami and Orlando metropolitan areas, both of which are served by large hub airports, was in the public interest. In granting Silver's initial exemption request, the Department applied the test it used in an exemption request from Cape Air¹, which has since been applied in several other cases. Specifically, the Department noted that Silver is a small carrier with less than 10 percent of the domestic market and that both Miami and Orlando are metropolitan areas with large hub airports and extensive air service provided by larger carriers.² Both Orlando and Miami (which Silver serves via Fort Lauderdale–Hollywood International Airport) continue to be served by larger carriers. There will be no reduction in existing service should the Department extend Silver's exemption for these points. Thus, the relief requested herein remains consistent with the Department's reasoning when it initially granted Silver's exemption. The relief also remains "reasonable and practicable" as required by the CARES Act³ and is consistent with similar relief recently provided to other smaller carriers.⁴

Moreover, recent events in Florida indicate that travel within and to the state will remain affected by the COVID-19 public health emergency for some time. On Monday, July 13, 2020, the State of Florida reported its highest number of single-day cases since

¹ Hyannis Air Service d/b/a Cape Air, Notice of Action Taken in Docket DOT-OST-2020-0037 (issued April 24, 2020).

² Notice of Action Taken in Docket DOT-OST-2020-0037 (issued May 12, 2020), at 2.

³ The Coronavirus Aid, Relief, and Economic Security Act, Pub. L. 116-136.

⁴ Notice of Action Taken in Docket DOT-OST-2020-0037 (issued June 19, 2020) (granting Sun Country's request for an extension of its exemption from its Service Obligation at several points).

the beginning of the pandemic.⁵ On that same day, local healthcare experts in Miami warned that Miami is now the “epicenter” of the pandemic.⁶ Miami-Dade County now has a curfew imposed as well as dining restrictions, with further restrictions being considered if the spread of COVID-19 intensifies.⁷

Although parts of Florida have “reopened” for tourists and visitors, the fact remains that the overwhelming majority of travelers, especially leisure travelers, have not resumed air travel to and within Florida. The recent surge of confirmed COVID-19 cases in Florida has greatly discouraged travel demand in the near future. In fact, Silver has recently seen the number of cancellations exceed the number of new bookings – a pattern very similar to what occurred in March and April of this year. Undoubtedly, the increasing rate of COVID-19 infections, especially in South Florida, will continue to dramatically suppress air travel demand.

Silver is working hard to refrain from furloughs and layoffs. By extending the exemptions for the Miami and the Orlando metropolitan areas, the Department is providing Silver the flexibility to address its critical needs while also still providing service to those areas on a once weekly basis. Under this flexibility, Silver will be able to increase service frequency prior to September 30, 2020, should demand levels warrant such an increase in service.

⁵ <https://www.cnn.com/2020/07/13/health/florida-coronavirus-cases-comparisons/index.html>.

⁶ <https://www.npr.org/sections/coronavirus-live-updates/2020/07/14/890756801/miami-is-becoming-the-epicenter-of-the-pandemic-expert-warns>. .

⁷ *Id.*

WHEREFORE, for the above reasons, Silver Airways respectfully requests that the Department grant (i) its requested extension of the exemption from its Service Obligation as identified in this request and (ii) such other relief as the Department finds to be consistent with this request and the public interest.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'SAR', with a long horizontal stroke extending to the right.

Steven A. Rossum
Chief Executive Officer
Silver Airways LLC

Jul 17, 2020

Certificate of Service

A copy of the foregoing Request for Exemption was served this 17th day of July, 2020 by electronic mail on each person listed below.

Orlando, FL Representatives:

pbrown@goaa.org (Executive Director); buddy.dyer@orlando.gov (Mayor)

Ft. Lauderdale, FL (Miami Metropolitan Area) Representatives:

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