

97-305



**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

JUN 17 1997

Mr. Don Hainbach
Counsel for Aeroflot-Russian International Airlines
Boros & Garofalo, P.C.
1201 Connecticut Avenue, N.W. Suite 700
Washington, D.C. 20036-2605

Dear Mr. Hainbach:

In this letter we extend for an additional two weeks, through June 30, 1997, Aeroflot-Russian International Airlines' statement of authorization under 14 CFR Part 212 of the Department's regulations to perform a series of Fifth Freedom charter flights between Shannon and Miami. We defer action on the remainder of its request.

Application

By application filed May 7, 1997, as supplemented May 8, Aeroflot-Russian International Airlines (Aeroflot), requested a statement of authorization under Part 212 to perform 20 round-trip, Fifth Freedom passenger charter flights between Shannon, Ireland, and Miami, Florida, May 17-September 29, 1997, transporting Irish-originating passengers to Miami on behalf of an Irish tour operator. United Air Lines, Inc. filed an answer in opposition to this request.

Interim Decision

By letter dated May 15, 1997, we granted Aeroflot's request for a statement of authorization through June 17, 1997, and deferred action on the remainder of its request. We took that action based on our expectation that during the pendency of the authority granted, the Russian government would permit Delta Air Lines to commence bilaterally-agreed code-share services on partners Austrian Airlines and Swissair between the United States and Moscow and St. Petersburg.

We also expressed our concerns over United's unsuccessful efforts with the Russian authorities to renew its U.S.-Moscow code-share arrangement with Lufthansa, and stated our view that further efforts between the two governments are required to reach a satisfactory solution to the matter.

Subsequent Pleadings

On June 6, United filed an additional responsive pleading reiterating its earlier concerns and again urging us to reject any further approval of Aeroflot's extra-bilateral request unless Russia is prepared to "restore immediately" United's authority to code share on Lufthansa's Frankfurt-Moscow flights.

On June 16, Aeroflot filed an additional pleading in which it supports the Department's decision to seek a diplomatic solution on United's concerns and urges the Department also to seek a diplomatic resolution regarding Delta's concerns as opposed to acting against Aeroflot.

Decision

We have decided to extend our earlier approval of Aeroflot's request for an additional two weeks through June 30, 1997, and defer action on the remainder of its request. We have determined in light of ongoing developments that this limited extension would be consistent with the objectives that we set forth in our May 15, 1997 letter.

In view of the above, and acting under assigned authority, 14 CFR Part 385, we grant Aeroflot's request for a statement of authorization to conduct its proposed Shannon-Miami Fifth Freedom charter services through June 30, 1997, and defer action on the remainder of its request.

In the conduct of the operations authorized above, Aeroflot must conform to flight routings approved by the Federal Aviation Administration.

Persons entitled to petition the Department for review of this action under the Department's regulations, 14 CFR §385.50, may file their petitions within ten days

after the date of this letter. This action is effective immediately, and the filing of a petition for review will not alter its effectiveness.

Sincerely,



for Paul L. Gretch
Director
Office of International Aviation

cc: Jeffrey Manley (United)
Robert E Cohn (Delta)
LTC Frank Peluso (FAA)