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October 31, 2001

Via Telefax No. 202 366 6780 and Postal Service

Issue Date May 8, 2001  
Approved under assigned authority  
Authority expires July 8, 2001  
The filing of a petition for review shall not preclude the effectiveness of this action.  
*Gordon H. Bingham*  
Director, Office of International Aviation

Mr. George Wellington  
Chief, Foreign Carrier Branch  
Office of International Aviation  
U.S. Department of Transportation  
400 Seventh Street, S.W., Room 6412  
Washington, DC 20590

Attention: Mr. Gordon Bingham

Re: Request of Aero Continente Chile S.A. for a Statement of Authorization (Long Term Wet Lease Operations for Aero Continente, S.A.)

Dear Mr. Wellington:

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Aero Continente Chile S. A. ("AC Chile"), a Chilean flag carrier, applies for a Statement of Authorization pursuant to Part 212 of the Department's regulations permitting AC Chile to operate up to one daily round trip scheduled combination flight between Lima, Peru and Miami, Florida for a one year period under a wet lease arrangement with Aero Continente, S.A. ("Aero Continente") a Peruvian flag carrier.<sup>1</sup> Since the proposed wet lease operation is scheduled to begin on November 10, 2001. AC Chile asks the Department to expedite action on this application. AC Chile will poll the carriers served and advise the Department of their views.

In support of this application, AC Chile states as follows:

AC Chile also asks for flexibility to operate flights for Aero Continente over additional routes or intermediate points which Aero Continente may be authorized to serve during the effective period of the requested Statement of Authorization.

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1. AC Chile and Aero Continente have negotiated an amended wet lease arrangement, effective September 24, 2001, under which AC Chile will operate 14 round trip scheduled flights for Aero Continente between Lima and Miami using Boeing 767-200ER aircraft. The authority granted to Aero Continente by the Department permits the Peruvian flag carrier to conduct scheduled foreign air transportation of persons, property and mail between Lima and Miami using wet leased aircraft only. (Notice of Action Taken, October 6, 1999, Docket OST-98-4292.) Grant of the authority requested herein will permit Aero Continente to comply with the conditions of its U.S. authority and benefit travelers and shippers in the U.S.-Peru market and would be consistent with the public interest. The Department previously has approved wet lease operations by AC Chile for Aero Continente. (See, for example, Statement of Authorization No. 00-505 approved December 04, 2000 and extended most recently by Statement of Authorization No. 2001-229.) The program of flights represents a resumption of the wet lease program previously operated.
2. AC Chile's authority to serve the United States was granted by Notice of Action Taken - Docket OST-2000-7747 on September 18, 2000. Scheduled round trip service between Chile and the United States commenced November 30, 2000 and was temporarily interrupted July 18, 2001. The Federal Aviation Administration has now reapproved and reissued AC Chile's Foreign Air Carrier Operations Specifications effective October 30, 2001. Service between Chile and the United States will be recommenced at the same time and in conjunction with the resumption of wet lease operations for Aero Continente.
3. Prior approval is required for AC Chile to operate the fifth freedom service proposed in this application. In addition, approval is required pursuant to 14 C.F.R. section 212.9(b)(2) of the Department's regulations because the service involves a long term wet lease.
4. AC Chile believes that sufficient comity and reciprocity exist on the part of the government of the Republic of Chile to support approval of the proposed wet lease operation. The Department has recently granted similar application involving the same parties, see Statement of Authorizations, above cited.
5. AC Chile requests a waiver of the 45-day advance filing requirements in 14C.F.R. section 212.10(d)(20).

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For all of the foregoing reasons, Aero Continente Chile respectfully asks the Department to approve its request for a Statement of Authorization effective November 10, 2001 for a period of one year and to waive the 45-day advance filing requirement.

Respectfully submitted,



Lawrence D. Wasko  
Counsel for  
Aero Continente Chile S.A.

cc: Parties on the Service List

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