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November 6, 1998

Paul L. Gretch, Director
Office of International Aviation
Department of Transportation
400 Seventh Street, S.W., Room 6402
Washington, D.C. 20590

98-111

RE: **Application of United Air Lines, Inc. for Renewal of Statements of Authorization to Code Share for Air India: New York Newark-Delhi via London (Heathrow) and Washington, D.C.-Delhi via London (Heathrow)**

Dear Sir:

United Air Lines, Inc. ("United") requests renewal of its Statements of Authorization pursuant to 14 CFR §212.11 permitting United to use the "AI" airline designator code of Air India Limited ("Air India") on certain flights operated by United between New York/Newark and Delhi via London (Heathrow) and between Washington, D.C. (Dulles) and Delhi via London (Heathrow).¹ United invokes the automatic extension provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented in Part 377 of the Department's Rules, to continue this authority in effect until final action by the Department on this renewal application. In support of its application, United submits the following:

1. On December 13, 1995, the Department approved United's initial Statement of Authorization to permit United to hold out Air India's designator code on flights operated by United, inter alia, and between New York/Newark and Delhi via London (Heathrow), pursuant to United's blocked space/code share agreement with Air India. On February 1, 1996, the Department amended United's initial Statement of Authorization to permit United to hold out Air India's designator code on flights operated by United between Washington, D.C. (Dulles) and Delhi, India via London (Heathrow), also pursuant to United's blocked space/code share

¹ United's Statements of Authorization are scheduled to expire on January 6, 1999.

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agreement with Air India. These authorities were last renewed on January 6, 1998 and will expire on January 6, 1999, unless renewed again pursuant to this application. The grounds supporting the Department's original approvals and the subsequent renewals remain unchanged and support this renewal of United's Statements of Authorization.

2. United holds authority in its Certificate of Public Convenience and Necessity for Route 603 to operate services between the U.S. and Delhi via London. Air India is authorized to serve these routes by its foreign air carrier permit issued by Order 95-4-36, dated April 25, 1995 and by exemption last renewed by Order 98-3-23 (Notice, dated January 6, 1998 in Docket OST-96-1007).²

3. The government of India has approved the United/Air India code-share services. Pursuant to U.S. and Indian authority, United has been displaying Air India's code on certain flights operating between Washington Dulles, on the one hand, and Delhi on the other.³

4. The blocked-space/code-share services operated by United for Air India continue to be governed by the agreement between the carriers dated October 27, 1995. That agreement was filed with United's initial application for a Statement of Authorization dated December 4, 1995.

5. As the Department found in issuing United's Statements of Authorization for these routes, United's and Air India's code share services are "encompassed in the bilateral understandings reflected in the December 2, 1995, Memorandum of Consultations between the United States and India." Order 96-3-32 (Notice, dated December 13, 1995, in Docket OST-95-901).

² Air India will seek renewal of its temporary exemption authorization by separate renewal application.

³ Although the carriers are not currently code sharing on routings between New York and Delhi, United requests renewal of the Statement of Authorization with respect to New York routings so that code-share services can be reinstated pursuant to the carrier's agreement when that becomes feasible.

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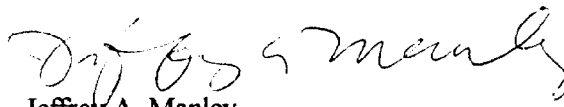
6. These code share services have enabled Air India to hold out additional services between India and the U.S. via intermediate points and have enabled United to increase its traffic over this route. These services have also enhanced the service options available to the traveling and shipping public.

7. United's participation in the Civil Reserve Air Fleet program ("CRAF") will not be affected by renewal of the requested code share authorizations.

8. United and Air India will continue to abide by the provisions of 399.88 of the Department's Policy Statements with respect to these code share opportunities. The carriers also agree that transportation services will continue to be sold in the name of the carrier holding out the service and that the carrier selling such transportation will accept all obligations established in its contract of carriage (i.e., ticket) with the passenger.

United requests renewal of these Statements of Authorization for an indefinite period subject to the usual conditions for such an award. Indefinite renewal will avoid repetitive administrative consideration of noncontroversial authorizations and is consistent with the Department's actions on similar code-share authorizations.

Respectfully submitted,



Jeffrey A. Manley
Counsel for
UNITED AIR LINES, INC.

cc: All Persons on Attached Service List

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