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REPLY OF CONTINENTAL

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, DC

FILED - FEB 14 2001

Application of)
)
 CONTINENTAL AIRLINES, INC.) Docket OST-00-7181
)
 for an exemption from Subparts K and S of)
 14 C.F.R. Part 93 pursuant to 49 U.S.C. § 41718)
)

ANSWER OF DELTA AIR LINES, INC.

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February 6, 2001

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ANSWER OF DELTA AIR LINES, INC.

Delta Air Lines, Inc. ("Delta") hereby responds to the January 30, 2001, Application of Continental Airlines, Inc. ("Continental") for two beyond-perimeter slot exemptions at Ronald Reagan Washington National Airport ("DCA") to operate daily DCA-Los Angeles service. Delta opposes Continental's application to the extent it would preclude the grant of at least two beyond-perimeter slot exemptions to Delta to operate nonstop DCA-Salt Lake City service.

Since there are now four pending slot requests for the two opportunities that would result from the impending termination of service by Trans World Airlines, Inc. ("TWA"), the Department must engage in a comparative selection process to evaluate the merits of the respective service proposals. Ashbacker Radio Corp. v. FCC, 326 U.S. 327 (1945). Indeed, it is likely that the Department will receive additional

competing applications from other carriers for the scarce DCA beyond-perimeter opportunities.

Delta urges the Department to establish a procedural schedule, including a final date for applications and dates for responsive pleadings, to consider the best public interest use for the reallocation of TWA's beyond-perimeter DCA slots. A consolidated proceeding, as opposed to piecemeal consideration, would be more efficient and less burdensome on the Department, carrier applicants and other interested parties.

Delta will demonstrate that its DCA-Salt Lake City proposal will produce more "domestic network benefits" and enhance "competition in multiple markets" to a greater degree than Continental or any other prospective applicant. Delta's Salt Lake City hub is better geographically positioned and is supported by a full array of hundreds of daily connecting flights, compared to Continental's Los Angeles proposal, which would benefit only a handful of west coast cities and which would rely principally on the auspices of a competitor's regional carrier.

WHEREFORE, Delta opposes the Application of Continental for beyond-perimeter DCA slot exemptions and urges the Department to establish an expedited proceeding to consider the best public interest use of the beyond-perimeter exemption opportunities.

Respectfully submitted,



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