

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

December 29, 1999

Application of)	
DELTA AIR LINES, INC.)	Docket OST-99-6721
for an exemption pursuant to 49 U.S.C. § 40109)	
(United States - Portugal))	

**APPLICATION OF DELTA AIR LINES, INC.
FOR AN EXEMPTION**

Delta Air Lines, Inc. ("Delta"), pursuant to 49 U.S.C. § 40109 and Subpart D of the Department of Transportation's Procedural Regulations, hereby applies for an exemption from 49 U.S.C. § 41101 to permit Delta to engage in scheduled foreign air transportation of persons, property and mail between the United States and Portugal to the full extent permitted by the U.S.-Portugal "open skies" agreement reached on December 22, 1999. Delta plans to begin third country codeshare service between the United States and Porto, Portugal, via Paris, on or about February 1, 2000. In order to allow Delta to plan and effectively market this new service, Delta requests that this exemption application be granted immediately. **Delta will conduct a poll of the U.S. carrier representatives listed on the attached service list to determine if there are any objections to this application and will advise the Department of the results as soon as possible.**

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Delta requests that, consistent with DOT policy, its Portugal open skies exemption authority remain in effect for a period of at least two years. Delta further requests route integration authority to permit Delta to combine U.S.-Portugal services with all other Delta services authorized by existing certificates and exemptions granted by the Department, to the extent permitted by applicable international agreements.

In support of this application, Delta submits the following:

1. Beginning on or about February 1, 2000, Delta plans to offer third country codeshare service between the United States, on the one hand, and Lisbon and Porto, Portugal, on the other hand. Delta will display its "DL" designator code on flights operated by its codeshare partner, Societé Air France, between Paris, France and these points in Portugal. Delta already holds certificate authority to serve Lisbon, but does not hold authority to serve Porto. Delta is herein requesting exemption authority to serve any point in Portugal so that it can immediately begin service to Porto, while gaining the flexibility to implement service to other Portuguese points in the future, consistent with the rights that are available to U.S. carriers under the new U.S.-Portugal open skies agreement.

2. Delta is fully qualified to perform the proposed services. Delta requests that the Department take official notice, pursuant to Rule 24 of the Department's Rules of Practice, of all other data on file with the Department necessary to establish Delta's fitness.

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3. The authority sought herein is governed by and consistent with the open skies agreement between the United States and Portugal, which was reached earlier this month. Delta seeks authority to engage in scheduled foreign air transportation of persons, property, and mail between a point or points in the United States, directly and via intermediate points, and a point or points in Portugal, and beyond.¹

4. Approval of this application is clearly in the public interest. Delta will operate the first online U.S.-flag service to Porto. With its extensive domestic route network, Delta will be able to provide travelers throughout the United States with enhanced service options to Porto and, in the future, other points in Portugal. Delta's proposed service will provide needed competition with various services to Portugal that are operated by other U.S. and foreign flag carriers. Such service improvements are precisely the type of consumer benefits the liberalized aviation agreement with Portugal was designed to achieve.

WHEREFORE, for the foregoing reasons, Delta respectfully requests that the Department expeditiously grant Delta an exemption authorizing it to engage in scheduled foreign air transportation of persons, property and mail between the United States and Portugal, as

¹ Delta will accept the following condition: "The authority granted to serve intermediate and beyond points is limited to countries with which the United States has signed open-skies agreements and/or countries for which Delta holds authority to serve under certificates or exemptions issued by the Department, and for which it holds route integration authority by virtue of either the present action or other action of the Department." See, e.g., Notice of Action Taken dated August 25, 1999, Docket OST-99-6151 (Delta, U.S.-Aruba authority).

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described herein, and that the Department grant any further relief deemed to be consistent with the public interest.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application of Delta Air Lines, Inc. for an Exemption has been served this 29th day of December, 1999, by facsimile or first class mail, upon each of the following persons:

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