

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

In the matter of the application of)	
)	
BRAATHENS ASA)	Docket OST-99-5053
)	
for an exemption from 49 U.S.C. 41301)	
and statement of authorization permitting)	
codeshare operations)	

**APPLICATION FOR AMENDMENT OF EXEMPTION
AND STATEMENT OF AUTHORIZATION**

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DATED: April 27, 2000

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**APPLICATION FOR AMENDMENT OF EXEMPTION
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Braathens ASA (“Braathens”), pursuant to 14 C.F.R. 212, the provisions of Title 49 of the United States Code and Subpart C of the Procedural Regulations of the Department of Transportation (the “Department”), hereby requests an amendment of its existing statement of authorization and exemption in this docket to the extent necessary to permit Braathens to engage in codeshare operations with Northwest Airlines, Inc. (“Northwest”) and KLM Royal Dutch Airlines (“KLM”) between London, United Kingdom, on the one hand, and points in Norway, on the other hand. Under its codeshare arrangements with Northwest and KLM, Braathens will operate with its own aircraft and crews the London-Norway segments of Northwest’s and KLM’s U.S.-London-Norway flights, in addition to the intra-European codeshare services authorized by the Department previously in this docket.

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Braathens requests that any authority approved through grant of this amendment remain in effect through April 30, 2001, co-extensive with Braathens' existing authority in this docket. Braathens intends to commence codeshare operations with Northwest and KLM after approval of this amendment request is received from the Department.

In further support of its application, Braathens states as follows:

1. Braathens is a citizen of Norway and is substantially owned and effectively controlled by Norwegian citizens. The Department has previously determined that Braathens is a Norwegian citizen and that it is qualified to conduct codeshare services of the sort contemplated by this amendment request.¹

2. Braathens intends to commence initial London-Norway codeshare operations with Northwest and KLM between London (Gatwick) and Oslo/Bergen as soon as commercially practical after receipt of the Department's approval. Under the agreements among the carriers, Braathens will display the two-letter designator codes of Northwest and KLM on Braathens' daily scheduled flights operated from London (Gatwick) to Oslo and Bergen utilizing Braathens' B737 aircraft.² All codeshare flights will be marketed in accordance with the Department's regulations on codesharing contained in 14 C.F.R. 257. Consistent with its Norwegian license and the terms of the open skies agreement between the United States and Norway, Braathens requests from the Department an amendment to its existing exemption and statement of

¹ Braathens currently holds an exemption and statement of authorization from the Department permitting it to display the designator codes of Northwest and KLM on flights operated by Braathens between (i) Amsterdam and Norway; (ii) Norway and points in Sweden and Denmark; and (iii) points in Norway. *See Notice of Action Taken*, Docket OST-99-5053, April 30, 1999.

² A copy of Braathens' codeshare agreement with Northwest was filed with the Department in this docket on February 2, 1999. That agreement, which was subsequently reviewed and approved by the Department, encompasses codeshare services between London and Norway.

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authorization permitting it to display the codes of Northwest and KLM on Braathens' flights between London, United Kingdom, on the one hand, and points in Norway, on the other hand. Braathens requests that this amendment remain in effect until April 30, 2001.

3. Braathens' operations are authorized and regulated by the Government of Norway. Norway is a contracting State to the Convention on International Civil Aviation ("Chicago Convention") and observes all applicable ICAO standards. Braathens has previously filed in this docket a copy of its homeland operating license.³ This license represents all of the authority Braathens requires from the Norwegian Government to provide the service described herein.

Braathens will maintain the aircraft that will be utilized to perform the proposed services. All maintenance on these aircraft will continue to be performed in accordance with programs that comply with the provisions of ICAO Pilots and Airmen Annexes 1, 6 (Part 1) and 7.

4. Service between the United States and Norway is governed by the Air Transport Agreement signed by the two countries on October 6, 1945, as amended June 16, 1995. Article 11(g) of the Agreement, as amended, explicitly authorizes cooperative marketing arrangements similar to those described herein. Article 11(g) states that airlines of either party may enter into codeshare arrangements with one another and that such airlines may additionally enter into codeshare arrangements with airlines of a third country, where such third country permits comparable arrangements:

an airline of one Contracting Party may enter into cooperative marketing arrangements such as blocked-space, code-sharing or other arrangements, with

³ See *Application for Exemption and Statement of Authorization*, January 27, 1999, Exhibit C.

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- A) an airline or airlines of either Contracting Party; and
- B) an airline or airlines of a third country, provided that such third country authorizes or allows comparable arrangements between the airlines of the other Contracting Party and other airlines on services to, from and via such third country.

The 1957 U.S.-Netherlands Air Transport Agreement, as amended, provides specifically that U.S. carriers may enter into cooperative arrangements, including codeshare agreements, with other carriers. Thus, the operations contemplated by this amendment request fall clearly within the scope of Article 11 of the U.S.-Norway bilateral agreement. Under applicable regulations of Norway and the European Union, Braathens does not require any special or additional authorization prior to instituting codeshare operations with Northwest and KLM between London and Norway.

5. This application raises no environmental or energy issues. All of Braathens' operations will be conducted in accordance with applicable noise abatement requirements at points located outside the United States. Similarly, since approval is sought only to add the codes of Northwest and KLM to Braathens' existing European services, approval of this application will not result in a near-term increase in fuel consumption of ten million gallons or more.

WHEREFORE, Braathens ASA respectfully requests that the Department of Transportation amend Braathens' existing exemption and statement of authorization to the extent necessary to permit Braathens to display the designator codes of Northwest Airlines, Inc. and KLM Royal Dutch Airlines on Braathens' flights between London, United Kingdom, on the one

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hand, and points in Norway, on the other hand, as more fully described herein.

Respectfully submitted,

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Counsel to Braathens ASA

DATED: April 27, 2000

CERTIFICATE OF SERVICE

I hereby certify that one copy of the foregoing Application of Braathens ASA has this day been served on each of the following individuals via telecopier or first class mail, postage prepaid.

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DATED: April 27, 2000

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