

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

Application of)
)
 DELTA AIR LINES, INC.) **Docket OST-2000-**
) **7390**
 for an exemption pursuant to 49 U.S.C. § 40109(c))
 (Atlanta, GA - Leon/San Jose del Cabo, Mexico))

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

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May 18, 2000

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

Delta Air Lines, Inc. ("Delta") hereby applies for an exemption, pursuant to 49 U.S.C. § 40109, authorizing Delta to provide scheduled foreign air transportation of persons, property and mail between Atlanta, Georgia, on the one hand, and Leon and San Jose del Cabo, Mexico, on the other hand, and to combine this exemption authority with all of Delta's existing certificate and exemption authority, to the extent permitted by international agreements. Delta plans to commence service to Leon on or about October 1, 2000, and to San Jose del Cabo on or about November 1, 2000, and therefore requests that the Department grant this application, which is non-controversial and fully consistent with the U.S.-Mexico bilateral, by no later than June 5, 2000, in order to afford Delta adequate time to market and sell the new service.

In support of this application, Delta states the following:

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1. On or about October 1, 2000, Delta plans to implement daily nonstop transborder service between Atlanta and Leon. On or about November 1, 2000, Delta plans to implement daily nonstop transborder service between Atlanta and San Jose del Cabo. Delta will operate these services using Boeing 737, Boeing 757, or other suitable aircraft from Delta's fleet as market circumstances warrant.

2. Grant of this application is in the public interest and will provide important service and competitive benefits. Delta will provide consumers with the special convenience of nonstop service between Atlanta and Leon and between Atlanta and San Jose del Cabo, two U.S.-Mexico routes that do not currently receive any nonstop service. Furthermore, Delta will provide a vast array of online connections to numerous U.S. points from Delta's extensive hub at Atlanta Hartsfield International Airport, the world's busiest airport both in terms of flight operations and passenger enplanements. Thus, grant of this application will significantly increase intergateway competition and improve service options between the United States and these points in Mexico for consumers throughout the United States.

3. Grant of this application would be fully consistent with the rights available to U.S. carriers under the U.S.-Mexico bilateral agreement. Two U.S.

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carriers may be designated to provide service between each U.S.-Mexico city-pair.

Currently, no U.S. carrier is designated on the Atlanta-Leon and Atlanta-San Jose del Cabo routes.

4. Delta is fully qualified to provide these U.S.-Mexico services and requests that the Department take official notice, pursuant to Rule 24 of the Department's Rules of Practice, of all data on file with the Department necessary to establish Delta's fitness. Notably, Delta operates numerous services between the United States and Mexico under various exemptions and pursuant to its certificate authority for Routes 562 and 630.

5. Delta respectfully requests that this application be granted by no later than June 5, 2000, and that the authority remain in effect for a period of at least two years or until 90 days after the Department grants a related Delta application for Atlanta-Leon and Atlanta-San Jose del Cabo certificate authority, which Delta intends to file shortly.

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WHEREFORE, Delta Air Lines, Inc. respectfully requests that the Department grant it an exemption authorizing it to provide scheduled foreign air transportation of persons, property and mail between Atlanta, Georgia, on the one hand, and Leon and San Jose del Cabo, Mexico, on the other hand, as described herein, and grant such other additional relief as the public interest may require.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have caused a copy of the foregoing Application of Delta Air Lines, Inc. for an Exemption to be served this 18th day of May, 2000, upon each of the following persons:

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