BEFORE THE U.S. DEPARTMENT OF TRANSPORTATION WASHINGTON, D.C.

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In the matter of

U.S.-FRANCE COMBINATION SERVICE FREQUENCY ALLOCATION

Docket OST-98-3872

MOTION FOR LEAVE TO FILE AND SURREPLY OF CHARLES A. STANZIALE, JR., CHAPTER 11 TRUSTEE FOR TOWER AIR, INC.

Communications with respect to this application should be sent to:

John E. Gillick Winthrop, Stimson, Putnam & Roberts 1133 Connecticut Avenue, N.W. Washington, DC 20036 (202) 775-9870 Email: gillickj@winstim.com

Counsel for Charles A. Stanziale, Jr., Chapter 11 Trustee for Tower Air, Inc.

June 30, 2000

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MOTION FOR LEAVE TO FILE

On June 29, 2000, United Air Lines, Inc. ("United") submitted a response to the reply filed by Charles A. Stanziale, Jr., the Chapter 11 Trustee for Tower Air, Inc. ("Tower"). In order that the Department may have a complete record upon which to decide Tower's application, Tower moves for leave to file this surreply which will not unduly delay this proceeding.

SURREPLY

United can run but it can't hide from its misreading, in its June 27, 2000 answer, of the submission made by Tower on July 21, 1998. In that response to a specific request made by the Department, Tower set forth, on a market-by-market basis, the frequencies it had operated in the New York-Paris market during the period June 1997 through June 1998 and the number of frequencies it planned to operate in the New York-Paris, Miami-Paris and Los Angeles-Paris markets during the period July 1998-December 1999. This list of frequencies was, of course, prepared on the assumption that Tower was authorized to operate twelve frequencies in the U.S.-France market, not the eight frequencies that Tower was ultimately authorized to operate after

the Department withdrew four of those frequencies from Tower <u>subsequent</u> to the date on which Tower filed these schedules (see Order 98-10-21 and 98-11-19).

Thus, at the time the Department issued Order 98-10-21 on October 20, 1998, it was quite clear to the Department that (1) Tower would be authorized to operate only eight, not twelve, weekly frequencies, and (2) based on the July 21, 1998, Tower schedule submission, Tower intended to utilize its New York-Paris frequencies on a seasonal basis, with more flights operated during the summer than throughout the remainder of the year. With those facts clearly in mind, the Department rejected the arguments made by United and others that the Department should reduce the base-level frequencies allocated to Tower below the eight originally authorized in Order 98-6-29)), and reaffirmed its prior determination to award Tower eight frequencies, knowing full well that Tower intended to operate the eight frequencies in the manner indicated in its July 21, 1998 letter. And, as demonstrated in Tower's June 28, 2000 reply, Tower operated almost exactly what it had told the Department it would operate in the New York-Paris market during the last six months of 1999. With Tower having operated in 1999 what it had told the Department in 1998 it would operate in response to a specific request from the Department, and the Department, knowing that Tower did not plan to use all of those frequencies every month, reaffirming its decision to award Tower eight frequencies in Order 98-10-21, United has failed to establish any, much less a reasonable, basis for arguing that any portion of Tower's frequencies became dormant in the last six months of 1999.

The Department got it right in 1998 when it rejected, in Order 98-10-21, the argument that United is now attempting to resurrect, and Tower respectfully submits that the Department should reject that argument in this proceeding as well.

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WHEREFORE, for the foregoing reasons, as well as those set forth in its previously-filed application, supplement and reply, Charles A. Stanziale, Jr., the Chapter 11 Trustee for Tower Air, Inc., respectfully requests that the Department of Transportation grant this motion and the waiver of the 90-day dormancy condition in the manner requested in its application and such other and different relief as may be in the public interest.

Respectfully submitted,

/s/ John E. Gillick John E. Gillick Winthrop, Stimson, Putnam & Roberts 1133 Connecticut Avenue, N.W. Washington, D.C. 20036 202-775-9870 Email: gillickj@winstim.com Counsel for Charles A. Stanziale, Jr., Chapter 11 Trustee for Tower Air, Inc.

June 30, 2000

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing motion and surreply by facsimile upon those persons set forth on the attached Service List.

> /s/ John E. Gillick John E. Gillick

Washington, D.C. June 30, 2000

Service List

Carl B. Nelson, Jr. Associate General Counsel American Airlines, Inc. 1101 Seventeenth Street, N.W. Suite 600 Washington, D.C. 20036

R. Bruce Keiner, Jr. Crowell & Moring 1001 Pennsylvania Avenue, N.W. Washington, D.C. 20004 (Continental Airlines)

Glenn P. Wicks Trans World Airlines, Inc. 900 Nineteenth Street, N.W. Suite 350 Washington, D.C. 20006

Joel Stephen Burton O'Melveny & Myers 555 Thirteenth Street, N.W Washington, D.C. 20004 (US Airways)

U.S. Department of State Office of Aviation Negotiations 2201 C Street, N.W., Room, 5531 Washington, D.C. 20520

Teresa Bingham Chief, U.S. Carrier Licensing Division U.S. Department of Transportation 400 Seventh Street, S.W. Washington, D.C. 20591 Jeffrey A. Manley Wilmer, Cutler & Pickering 2445 M Street, N.W. Washington, D.C. 20037 (United Air Lines)

Cecilia Bethke Northwest Airlines, Inc. 901 Fifteenth Street, N.W. Suite 310 Washington, D.C. 20005

Robert E. Cohn Shaw, Pittman, Potts & Trowbridge 2300 N Street, N.W. Washington, D.C. 20037 (Delta Air Lines)

Federal Aviation Administration (AFS-200) Air Transportation Division 800 Independence Avenue. S.W. Washington, D.C. 20591

Civil Air Attache Embassy of France 4101 Reservoir Road, N.W. Washington, D.C. 20007