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BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D. C.

DEPARTMENT OF TRANSPORTATION
99 FEB -8 PH 2:50
DOCKET SECTION

Application of :
: AMERICAN EAGLE AIRLINES, INC. : OST-98-4647
: :
under 49 USC 41714 for an exemption :
from the high density rule governing :
Chicago O'Hare slots (14 CFR Part 93) :
(Greenville/Spartanburg, South Carolina) :

MOTION OF AMERICAN EAGLE AIRLINES, INC.
FOR A DECISION

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February 8, 1999

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DEPARTMENT OF TRANSPORTATION
WASHINGTON, D. C.

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FOR A DECISION

American Eagle Airlines, Inc. hereby moves for a decision on its application, submitted on October 23, 1998, for O'Hare exemption slots to serve between Greenville/Spartanburg and Chicago. The Department should promptly grant American Eagle's application, and deny a competing application for O'Hare slots submitted by Atlantic Coast Airlines d/b/a United Express in OST-98-3982 to serve Savannah/Hilton Head.

As American Eagle has shown in numerous pleadings, both in this docket and in OST-98-3982, the public interest will best be served by awarding O'Hare exemption slots to American Eagle to serve Greenville/Spartanburg. The Greenville/Spartanburg-Chicago market presently suffers not only from inferior connecting service, but has the highest average fare in its mileage block, as shown by the Department's domes-

tic air fare consumer report. American Eagle's service will represent South Carolina's only on-line access to American's worldwide network.

By contrast, the Chicago-Savannah/Hilton Head market presently enjoys far better connections to Chicago, and one of the lowest average fares in its mileage block. In addition, Savannah is already well-connected to United's worldwide network, with regional jet service by United Express (Atlantic Coast) to United's Washington (Dulles) hub.

American's network at Chicago (American Airlines and American Eagle) is at a significant slot disadvantage compared to United's network at Chicago (United Air Lines and its United Express affiliates, including Air Wisconsin, Great Lakes Airlines, Atlantic Coast, and Trans States Airlines). United's network has a total of 1,049 O'Hare slots, while American's has 921 (including Reno Air's five exemption slots), resulting in a United network advantage of 128 daily slots. In the interest of fostering two-carrier hub competition at O'Hare, the Department should not grant any additional exemption slots to United-affiliated carriers until American and American Eagle have achieved slot parity.

Greenville/Spartanburg has a pressing need for non-stop access to Chicago, and will receive substantial competitive benefits through its first on-line access to American's

worldwide network. The Department should promptly issue a decision granting American Eagle's application.

Respectfully submitted,

A handwritten signature in black ink, reading "Carl B. Nelson, Jr.", written in a cursive style. The signature is positioned above a horizontal line.

CARL B. NELSON, JR.
Associate General Counsel
American Airlines, Inc.

On behalf of American Eagle
Airlines, Inc.

February 8, 1999