

medium-sized communities, with improved service. However, the provision allows for competition for routes to larger communities.

Senator Boxer then asked:

Specifically, would carriers be prevented from competing on routes from National Airport to Los Angeles or San Jose or other California airports under this bill?

Senator McCain responded:

No. As long as carriers can demonstrate that their routes provide domestic network benefits and increase competition in multiple markets, they may compete for these nonstop routes, including select routes to California airports.

144 Cong. Rec. S10946 (daily ed. Sept. 25, 1998).

As demonstrated herein, United will provide domestic network benefits and increase competition in multiple markets, including in the Los Angeles-DCA market itself, which is the largest city pair outside the perimeter. By connecting its domestic hub at Los Angeles with DCA, United also will increase competition in a number of other city pairs that will enjoy their first, or new competitive, one stop access via LAX to DCA. No other potential applicant for beyond-perimeter exemption slots would provide a better mix of network and competition benefits or benefit a greater number of passengers.