

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

Application of)	
)	
NORTHWEST AIRLINES, INC.)	Docket OST-02-13613
)	
for an exemption pursuant to 49 U.S.C. § 40109)	
(Memphis-Mexico City, Memphis-)	
Puerto Vallarta, Detroit-Cozumel))	
)	

**APPLICATION OF NORTHWEST AIRLINES, INC.
FOR RENEWAL OF AN EXEMPTION**

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September 1, 2004

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Dated: September 1, 2004

**APPLICATION OF NORTHWEST AIRLINES, INC.
FOR RENEWAL OF AN EXEMPTION**

Northwest Airlines, Inc. (“Northwest”), pursuant to 49 U.S.C. § 40109 and Rule 302 of the Department’s Rules of Practice, hereby applies for renewal of its exemption from 49 U.S.C. § 41101 authorizing Northwest to provide scheduled foreign air transportation of persons, property and mail between Detroit and Cozumel and to integrate this exemption authority with all of Northwest’s existing certificate and exemption authority to the extent consistent with U.S. bilateral agreements and DOT policy.¹ Northwest requests an exemption with a two-year effective period.

In support of this exemption application, Northwest states as follows:

1. Northwest seeks renewal of its exemption to engage in scheduled foreign air transportation of persons, property and mail between Detroit and Cozumel. Northwest was

¹ Northwest is not seeking renewal of its authority between Memphis and Puerto Vallarta/Mexico City. (See Northwest’s notices of dormancy to the Department, dated August 31, 2004 and September 1, 2004)

awarded this authority by Notice of Action Taken dated November 5, 2002, and its authority will expire November 5, 2004.

2. Northwest's seasonal Detroit-Cozumel service provides significant benefits to travelers and shippers and is clearly in the public interest. Approval of Northwest's renewal application will continue to enable Northwest to maintain effective network competition among U.S. carriers serving Mexico and ensure that Northwest continues to provide significant competition for foreign flag carriers offering U.S.-Mexico service.

3. Northwest's service is consistent with the terms of the U.S.-Mexico Air Transport Services Agreement ("U.S.-Mexico Agreement"), as amended. Route 1(a) of the U.S.-Mexico Agreement authorizes carriers designated by the United States to operate "from a point or points in the United States to a point or points in Mexico." U.S.-Mexico Agreement, Annex I, A(1)(a). The U.S.-Mexico Agreement also provides that "[e]ither of the parties shall be entitled to designate up to two airlines to provide scheduled combination services on any city pair between the two territories that may be served under the agreement." U.S.-Mexico Agreement, Annex I, B(4). No other U.S. carrier currently provides service on the Detroit-Cozumel segment. See Official Airline Guide, September 2004.

4. Northwest holds various certificates of public convenience and necessity and exemptions authorizing it to engage in scheduled air transportation of persons, property and mail between the U.S. and foreign countries and is clearly fit, willing and able to provide the service proposed herein. See e.g., Notice of Action Taken dated November 5, 2002, Docket OST-02-13613.

5. In submitting this renewal application, Northwest invokes the automatic extension provisions of the Administrative Procedure Act, 5 U.S.C. § 558(c), as implemented in Part 377 of the Department's Rules.

WHEREFORE, Northwest Airlines, Inc. seeks renewal of its exemption from 49 U.S.C. § 41101 authorizing Northwest to operate scheduled foreign air transportation of persons, property and mail between Detroit and Cozumel and to integrate this exemption authority with all of Northwest's existing certificate and exemption authority to the extent consistent with U.S. bilateral agreements and DOT policy for a period of two years or until the Department amends Northwest's Route 564 certificate to include this segment, whichever occurs later.

Respectfully submitted,

/s/ Megan Rae Rosia /s/

Megan Rae Rosia

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CERTIFICATE OF SERVICE

On this 1st day of September, 2004, a copy of the foregoing Application of Northwest Airlines, Inc. was served by electronic mail on the following:

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