



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, DC

Issued by the Department of Transportation on September 2, 2005

NOTICE OF ACTION TAKEN -- DOCKET OST-2005-21781

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of Northwest Airlines, Inc., filed 7/1/05 for:

XX Exemption for two years under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between (1) the terminal point Detroit, Michigan, and the terminal point Mazatlan, Mexico; (2) the terminal point Detroit, Michigan, and the terminal point Zihuatanejo/Ixtapa, Mexico; (3) the terminal point Memphis, Tennessee, and the terminal point Cozumel, Mexico; (4) the terminal point Memphis, Tennessee, and the terminal point Puerto Vallarta, Mexico; (5) the terminal point Memphis, Tennessee, and the terminal point San Jose del Cabo, Mexico; and (6) the terminal point Minneapolis/St. Paul, Minnesota, and the terminal point Manzanillo, Mexico.¹ Northwest proposes to offer seasonal service in each of the subject city-pair markets.

Applicant rep: Ronald P. Brower (202) 842-3193 DOT Analyst: Linda Lundell (202)366-2336

DISPOSITION

XX **Granted (subject to conditions, see below)**

The above action was effective when taken: September 2, 2005, through September 2, 2007.

**Action taken by: Paul L. Gretch, Director
Office of International Aviation**

XX **The authority granted is consistent with the aviation agreement between the United States and Mexico.**

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

- XX** **Holder's certificates of public convenience and necessity**
- XX** **Standard exemption conditions (attached)**

Conditions: The U.S.-Mexico exemption authority granted is subject to the dormancy notice requirements set forth in condition 7 of Appendix A of Order 88-10-2, and the notice requirements for seasonal/intermittent services as set forth in Order 96-11-24, at 5. Consistent with our standard policy,

¹ In its application, Northwest also requested authority to serve between the terminal point Omaha, Nebraska, and the terminal point Cancun, Mexico. By letter dated July 26, 2005, Northwest withdrew its request for the Omaha-Cancun market.

the dormancy notice period for the exemption authority will begin January 2, 2006, Northwest's proposed start-up date for the subject services.²

Remarks: Brendan Airways, LLC d/b/a USA 3000 Airlines (USA 3000) filed an answer stating that it has an application pending before the Department for exemption authority to serve the Detroit-Zihuatanejo/Ixtapa market (Docket OST-2005-21816). USA 3000 states that it does not oppose Northwest's request for Detroit-Zihuatanejo authority in the instant application, as long as USA 3000's exemption application for Detroit-Zihuatanejo/Ixtapa authority, in Docket OST-2005-21816, is granted contemporaneously.

Northwest replied that the Department can grant both carriers' requests to serve the Detroit-Zihuatanejo/Ixtapa market, because no other U.S. carriers currently serve the route, and two designations are available for the service under the U.S.-Mexico aviation agreement.³

We have decided to grant Northwest's application. We note that we are granting USA 3000's application to serve the Detroit-Zihuatanejo/Ixtapa market contemporaneously with our grant of Northwest's application here.⁴

On the basis of data officially noticeable under Rule 24(g) of the Department's regulations, we found the applicant qualified to provide the exemption services authorized.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; (2) grant of the authority was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

² In its application, Northwest stated that it will commence seasonal service "beginning this coming winter" (Application, at 2). By way of clarification, Northwest advised us on September 1, 2005, that it intends to commence service on or about January 2, 2006.

³ American Airlines, Inc. (American) filed an answer opposing Northwest's application and then subsequently withdrew its objection. Following American's answer, but prior to withdrawal of its objection, the Wayne County Airport Authority and Memphis International Airport filed in support of Northwest's application.

⁴ See Notice of Action Taken, dated September 2, 2005, in Docket OST-2005-21816.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within seven (7) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

An electronic version of this document is available on the World Wide Web at:

http://dms.dot.gov/reports/reports_aviation.asp

U.S. Carrier Exemption Conditions

In the conduct of the operations authorized, the U.S. carrier applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with all applicable requirements of the Federal Aviation Administration and with all applicable U.S. Government requirements concerning security, including, but not limited to, 49 CFR Part 1544. To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) to or from a foreign airport, contact its International Principal Security Inspector (IPSI) to advise the IPSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.