

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

Application of)	
DELTA AIR LINES, INC.)	Docket OST-06-
for an exemption and frequency)	
allocation)	
(Atlanta – Quito/Guayaquil, Ecuador))	

**APPLICATION OF
DELTA AIR LINES, INC.**

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January 3, 2006

NOTE: Delta is conducting a poll of the carrier representatives served with this application, and will advise the Department of the results.

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**APPLICATION OF
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Pursuant to 49 U.S.C. § 40109 and Subpart C of the Department's Rules of Practice in Proceedings, Delta Air Lines, Inc. ("Delta") applies for an exemption and allocation of seven (7) U.S.-Ecuador frequencies to enable Delta to operate daily nonstop service between Atlanta and Quito/Guayaquil, Ecuador. Delta's new service will provide Atlanta with its only nonstop service to Ecuador, and will also provide attractive new online connections between Quito/Guayaquil and the 216 cities served by Delta and the Delta Connection carriers from Atlanta. The proposed new flight will begin on or about June 1, 2006, using Boeing 757-200 aircraft configured with 156 economy and 22 business class seats.

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Delta's Atlanta-Quito/Guayaquil proposal is clearly in the public interest. It will provide the important benefit of daily nonstop service at a new U.S. gateway. Moreover, Delta will add a third U.S. flag network carrier to the U.S.-Ecuador marketplace, creating important new service and competitive choices for consumers. There are presently only two U.S. carriers serving Ecuador: American and Continental. Delta's Atlanta hub is ideally situated to serve as a gateway to Latin America, and, with 948 daily departures, Delta's Atlanta hub will provide unsurpassed levels of network coverage for the entire United States.

In further support of this Application, Delta states as follows:

1. Delta is fit, willing, and able to perform the Atlanta-Ecuador services applied for herein. Delta operates numerous services between the United States and Latin America under various certificates and exemptions. And, Delta presently has a certificate application for broad U.S.-Ecuador authority pending in docket OST-99-6246.¹ Delta requests that the Department take official notice, pursuant to Rule 24 of the Department's Rules of Practice, of all data on file with the Department necessary to establish Delta's fitness. Delta requests that its exemption be effective for a

¹ Delta also has an application for Atlanta-Quito/Guayaquil certificate authority pending in Docket OST-97-3218.

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period of at least two years, or until 90 days after final action on Delta's pending certificate request, whichever occurs earlier.

2. Approval of Delta's exemption is in the public interest and will provide important new service and competitive options for U.S.-Ecuador travelers and shippers. The availability of new nonstop service between Atlanta and Quito/Guayaquil will enhance competition and expand price and service options for consumers traveling between the United States and Ecuador. Delta will serve both Quito and Guayaquil with a single-plane through service, as set forth in Exhibits DL-1 and DL-2.

3. Approval of the requested exemption is consistent with the U.S.-Ecuador Transport Services Agreement ("Agreement"). Under the Agreement, the U.S. Government may designate a U.S. airline or airlines to serve Ecuador, consistent with the frequency limitations of the Agreement. At present, there are eight unallocated frequencies that may be used for service from any U.S. gateway.² Delta requests allocation of seven (7) of the eight (8) currently available frequencies, to support its daily nonstop service proposal. Delta requests that its frequency allocation be made for a period of indefinite duration, consistent with standard Department practice.

² There are also seven dormant frequencies for which Continental has requested a dormancy waiver. See, Application of Continental dated December 19, 2005, Docket OST-97-2447. As stated in Delta's answer filed
Footnote continued on next page

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4. The environmental impacts of the proposed service are *de minimis*, and Delta does not anticipate that its Atlanta-Ecuador services will cause a near-term net annual change in aircraft fuel consumption of 10 million gallons or more.

5. Delta urges the Department to conduct any necessary carrier selection proceedings on an expedited basis, so that a Final Order can be issued by January 30, 2006. Delta is conducting a poll of the carrier representatives on the attached service list. If carrier selection proceedings are necessary, they should be conducted on the basis of applications and responsive pleadings. It is essential that the Department allow sufficient lead time from the date of the Final Order to account for fleet planning, marketing, and implementation.

6. Delta requests route integration authority of the proposed exemption with all of Delta's existing certificates and exemptions to the full extent allowed by applicable international agreements. Delta notes that although its integration request would be covered by the blanket integration authority proposed by Show Cause Order 2005-12-5, such authority has not yet been issued as a Final Order.

Footnote continued from previous page

concurrently in that Docket, Delta does not oppose Continental's dormancy waiver *provided that* Delta's frequency request here is granted in full.

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WHEREFORE, Delta respectfully urges that the Department grant Delta an exemption and seven (7) U.S.-Ecuador frequencies to provide daily nonstop service between Atlanta, on the one hand, and Quito and Guayaquil, on the other hand.

Respectfully submitted,



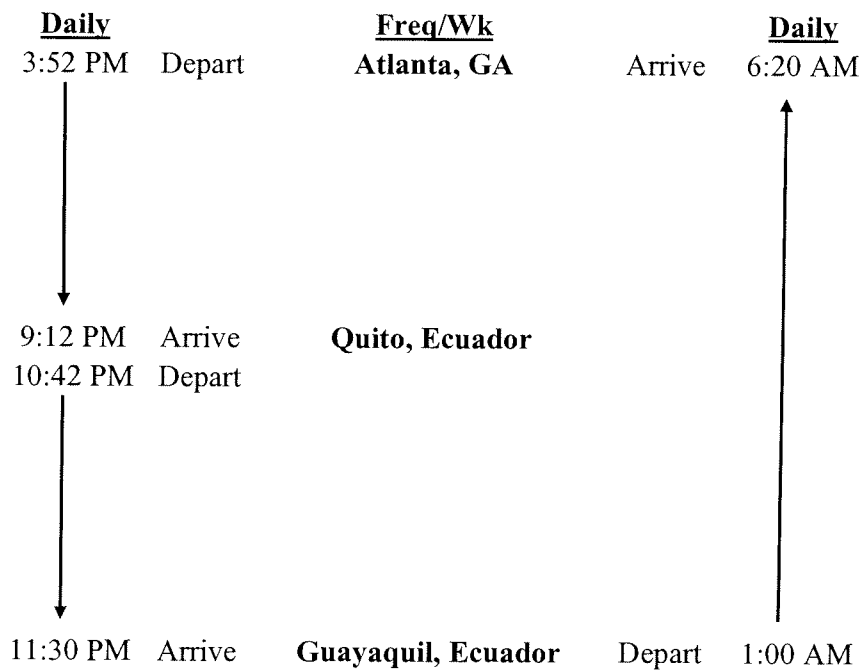
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DELTA'S PROPOSED U.S. - ECUADOR SERVICE

Summer 2006

Boeing 757-200 Aircraft

**Boeing 757-200 Aircraft Capacity**

22 Business Class

156 Economy Class

178 Total Seats


DELTA'S PROPOSED ATLANTA-ECUADOR SERVICE



CERTIFICATE OF SERVICE

I hereby certify that the foregoing Application of Delta Air Lines, Inc. has been served by e-mail this 3rd day of January, 2006, upon each of the following persons:

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