

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

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	)	
2005 Chicago-San Jose del Cabo	)	Docket OST-2005-21156
Exemption Proceeding	)	
	)	
	)	

	)	
Application of	)	
	)	
UNITED AIR LINES, INC.	)	Docket OST-2005-20630
	)	
for exemption authority pursuant to	)	
49 U.S.C. § 40109 (Chicago-San Jose del Cabo)	)	
	)	

**APPLICATION OF UNITED AIR LINES, INC.  
FOR RENEWAL OF EXEMPTION AUTHORITY**

Communications with respect to this document should be sent to:

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**Dated:**           **May 24, 2007**

**Notice:**       **Any party wishing to answer this application should do so on or  
before June 8, 2007, and serve a copy on the persons listed above as  
well as all persons on the attached Service List.**



In support of its request, United submits the following:

1. By Order 2005-7-28, dated July 28, 2005, in Docket OST-2005-21156, the Department awarded United, over USA3000, an exemption and the only designation available at that time to operate scheduled combination services in the Chicago and San Jose del Cabo market.<sup>1</sup> That exemption authority is currently effective through July 28, 2007. United requests that the Department renew this exemption authority for a minimum period of two years, subject to the usual conditions.<sup>2</sup>

2. United intends to continue its year-round service between Chicago and San Jose del Cabo. The Department has found United fit to provide foreign scheduled combination air transportation. *See*, Route 838, Order 2007-4-19, and Route 747, Order 2004-5-23. United also holds a number of exemption authorizations to provide combination air service in various U.S.-Mexico city-pair markets. *See*, Order 2000-5-31 (Docket OST-99-5846); Notices of Action Taken, August 3, 2006, October 16, 2006, April 21, 2006, and January 4, 2006 in Dockets OST-04-18692, 04-17676, 04-17490 and 03-16210, respectively. Pursuant to Rule

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<sup>1</sup> Subsequent to the issuance of United's exemption, the United States and Mexico agreed to allow an additional designation (total of three for each side) in certain trans-border markets including city pairs that serve San Jose del Cabo. To date, the third designation for the Chicago-San Jose del Cabo market continues to be unused; thus, the Department's renewal of United's exemption would not foreclose a competitor from operating in this city pair.

<sup>2</sup> United has also requested issuance of a certificate of public convenience and necessity for this trans-border city pair, *inter alia*, and notes that grant of that request would avoid the need to process such renewal applications as this one. *See* Supplement No. 3, dated September 8, 2005, to Application of United in Docket OST-99-5846.

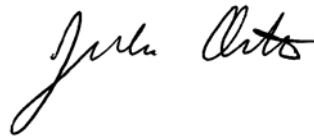
24 of the Department's Procedural Regulations, United requests that the Department take official notice of all data filed to establish its fitness.

3. Renewal of United's authority is clearly in the public interest.

United's services in the Chicago and San Jose del Cabo market are consistent with the U.S.-Mexico Air Services Agreement. Moreover, United's service in this market will continue to stimulate passenger travel and expand service options for consumers.

WHEREFORE, United requests that the Department renew its exemption authority for a minimum period of two years and grant such other and further relief as the Department deems appropriate.

Respectfully submitted,



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**DATED: May 24, 2007**

## CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Application of United Air Lines, Inc. for Renewal of Exemption Authority on all persons named below by causing a copy to be sent via e-mail.

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Annalei Avanceña

**DATED: May 24, 2007**