

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

*In the Matter Of U.S.-China Combination and
All-Cargo Frequency Allocation Proceedings*

) Docket OST-2007-28361
)
)

COMMENTS OF
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT

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June 1, 2007

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In response to the Department's Notice, dated May 25, 2007, Hartsfield-Jackson Atlanta International Airport ("H-JAIA") submits these comments on the recommended procedures for allocating new U.S.-carrier rights under the recent Memorandum of Consultation between the U.S. and China. H-JAIA has a vital interest in the allocation of the new U.S.-China rights because Delta Air Lines has filed an application seeking authority to provide nonstop service between Atlanta and Shanghai, creating a new gateway to China from the largest airport hub in the world. H-JAIA welcomes any opportunity to further explain why Delta's proposed Atlanta-Shanghai service should be chosen for the available frequencies and the new entrant designation.

Consistent with Delta's comments, H-JAIA offers the following suggestions for the Department's consideration in establishing the framework for the upcoming proceeding to allocate the 2007 U.S.-China designation and frequencies.

First, given the substantial demand for new service to China and the need for any new entrant gateway and the operating carrier to market extensively any such new intercontinental service, H-JAIA strongly encourages the Department to move expeditiously to institute and complete a proceeding to award the available 2007 frequencies and designation. The Department's standard process involving Applications, Direct Exhibits, Rebuttal Exhibits, and Briefs to the Decisionmaker should be used.

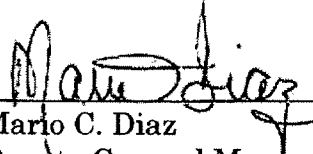
Second, in order to streamline further the comparative selection process, eligibility for the 2007 frequencies and designation should, as a matter of public interest, be limited to new entrant passenger carriers. It is our understanding that in the most recent U.S.-China *cargo* frequency proceeding, all requests for frequencies were satisfied. In the most recent U.S.-China *passenger* frequency allocation proceeding, new entrant carriers (like Delta) were not eligible to participate. Now, for the first time since the 2004/2005 U.S.-China proceeding (when then-new entrants Continental Airlines and American Airlines received awards), a new U.S. combination carrier designation is available with corresponding frequencies. Given this context, it makes sense for the Department to provide in the instituting order that only new entrant passenger airlines will be eligible to apply for the 2007 route rights. Failure to award these frequencies to a new entrant utilizing the new designation is likely to result in the delay in entry by a new combination carrier for at least two more

years (when more combination frequencies become available). That result would not serve the public interest and would be contrary to the competitive market structure.

Third, H-JAIA does not believe that the Department should combine its consideration of the 2008 or 2009 U.S.-China rights with its consideration of the applications for the 2007 route rights. The 2008 and 2009 rights are distinct and temporally distant from the 2007 rights. There would be no obvious efficiency gains from the simultaneous consideration of applications for these distinct route rights. Moreover, an award of the 2007 route rights would provide the Department with useful experience for the future allocation of the 2008 and 2009 route rights.

For the reasons stated above, Hartsfield-Jackson Atlanta International Airport encourages the Department to implement the foregoing suggestions as part of the procedures for allocating U.S.-China designations and frequencies.


Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Comments of Hartsfield-Jackson Atlanta International Airport has been sent this 1st day of June, 2007 by facsimile to 202 366 3694 and by email to Catherine.brown@dot.gov.



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