



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Issued by the Department of Transportation on June 24, 1998

NOTICE OF ACTION TAKEN -- DOCKET OST 96-1379

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 Challenge Air Cargo, Inc. filed 4/6/98 to:

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

Scheduled foreign air transportation of property and mail between (1) Miami, Florida, the intermediate point San Juan, Puerto Rico, and Caracas, Venezuela; and (2) Miami, Florida, and the coterminal points Valencia and Maracaibo, Venezuela, and to integrate this authority with its existing exemption and certificate authority.

Applicant rep: William Callaway (202) 298-8660 DOT Analyst: Sylvia Moore (202) 366-6519

DISPOSITION

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

The above action was effective when taken: June 24, 1998, through June 24, 2000

**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 Venezuela.**

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

XX **Holder's certificate of public convenience and necessity**

XX **Standard Exemption Conditions (attached)**

Conditions: The route integration authority granted is subject to the condition that any service provided under this exemption shall be consistent with all applicable agreements between the United States and the foreign countries involved. Furthermore, (a) nothing in the award of the route integration authority requested should be construed as conferring upon Challenge rights (including fifth-freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless Challenge notifies us of its intent to serve such a market and unless and until the Department has completed any necessary selection procedures to determine which carrier(s) should be authorized to exercise such rights; and (b) should there be a request by any carrier to use the limited-entry route rights that are included in Challenge's authority by virtue of the route integration exemption granted here, but that are not then being used by Challenge, the holding of such authority by route integration will not be considered as providing any preference for Challenge in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

Remarks: The aviation agreement between the United States and Venezuela does not provide for coterminalization of Caracas and Maracaibo. These points may be served only as separate terminal points.

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

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) immediate action was required and was consistent with Department policy; (2) grant of the exemption 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.

(See Reverse Side)

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 ten (10) 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/general/orders/aviation.html>.*