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

**Petition of Delta Air Lines, Inc.
to revoke allocation of U.S.-Brazil
frequencies to Continental Airlines, Inc.
Docket OST-99-6259**

**1999 U.S.-Brazil Combination Service Case
Docket OST-99-6284**

NOTICE SUSPENDING PROCEDURAL DATES IN DOCKET OST-99-6284

Summary

By this notice we suspend the procedural dates in the *1999 U.S.-Brazil Combination Service Case* until further Department order.

Background

By Order 99-9-23, September 30, 1999, the Department, *inter alia*, instituted the *1999 U.S.-Brazil Combination Service Case*, Docket OST-99-6284, to consider the long-term allocation of seven weekly frequencies for services in the U.S.-Brazil market.¹ The Order also established a procedural schedule for evidentiary submissions in the new proceeding, calling for the filing of direct exhibits on October 29, 1999, rebuttal exhibits on November 19, 1999, and Briefs to the Decisionmaker on December 12, 1999.

Petitions

On September 23, 1999, (in Docket OST-99-6259), Delta Air Lines petitioned the Department to revoke the seven weekly frequencies previously allocated to Continental Airlines for Houston-Sao Paulo service in the *1998 U.S.-Brazil Combination Service Case*, and requested that the Department activate Delta's backup award and frequency allocation so that Delta could operate daily New York-Sao Paulo service. Delta also requested that the Department stay the effectiveness

¹ See Order 99-9-23 for a description of the history of the frequencies at issue in the proceeding. Order 99-9-23 also authorized American to use the frequencies on a *pendente lite* basis in the New York-Rio de Janeiro market, effective October 1, 1999.

of Continental's Houston-Sao Paulo authority, pending a decision on Delta's petition. On October 1, 1999, Delta amended its petition to request immediate reallocation of three of the seven frequencies to expand its services in the Atlanta-Sao Paulo market, pending a decision on the remainder of its petition. American filed an answer in support of Delta's September 23 petition. Continental and the Houston Parties (the City of Houston and the Greater Houston Partnership) filed answers opposing the petition.²

On October 7, 1999, American Airlines and United Air Lines separately petitioned the Department for reconsideration of Order 99-9-23. Both carriers argue that the Department should consolidate Delta's petition in Docket OST-99-6259 for reallocation of Continental's Houston frequencies into the *1999 U.S.-Brazil Combination Service Case*. American also argues that one of the seven weekly frequencies allocated to Continental for New York-Rio de Janeiro service is now dormant, and should also be consolidated into the proceeding.

In addition, United urges the Department to release traffic data for operations between the U.S. and both Argentina and Chile for use by the parties in their evidentiary submissions since the instituting order provides for authorization of services beyond Brazil in conjunction with the Brazil services at issue.

Delta, Continental, and the Houston Parties oppose the petitions of American and United. Continental also opposes United's request for release of additional U.S.-South America data.

Decision

The petitions have raised issues which could materially affect the scope of this proceeding and the information needed to decide it. We have not had a sufficient opportunity to complete our examination of the issues raised in these very recent filings. While we intend to complete that examination as quickly as possible, we cannot do so in time to implement the existing procedural schedule. Therefore, we will temporarily suspend the procedural dates for evidentiary submissions in Docket OST-99-6284 until further Department order. We will reestablish the procedural schedule for such submissions in our order resolving the petitions for reconsideration.

We will serve this notice upon all parties in Dockets OST-99-6259 and OST-99-6284.

By:

A. BRADLEY MIMS
Deputy Assistant Secretary for
Aviation and International Affairs

(SEAL)

Dated: **October 22, 1999**

An electronic version of this document is available on the World Wide Web at:
http://dms.dot.gov/reports/report_aviation.asp

² Delta filed a reply to the answers of American and the City of Houston.