

BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
WASHINGTON, D.C.

DEPARTMENT OF TRANSPORTATION  
97 MAR 12 PM 4:31  
DOCKET SECTION

QA-18323

In the matter of the application of  
**AEROLINEAS ARGENTINAS S.A.**  
for an exemption from 49 U.S.C. 41301

Docket OST-96-1096 - 6  
OST-96-1184 - 4  
OST-96-1997 - 6

APPLICATION FOR RENEWAL OF EXEMPTIONS

Communications with respect to this document should be addressed to:

Robert D. Papkin  
Edward W. Sauer  
Charles F. Donley II  
SQUIRE, SANDERS & DEMPSEY, L.L.P.  
1201 Pennsylvania Avenue, N.W.  
P.O. Box 407  
Washington, D.C. 20044  
(202) 626-6601

Counsel to Aerolineas Argentinas S.A.

DATED: March 12, 1997

10 Pap

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

In the matter of the application of <b>AEROLINEAS ARGENTINAS S.A.</b> for an exemption from 49 U.S.C. 41301	) ) ) ) ) ) ) )	Docket    OST-96-1096 OST-96-1184 OST-96-1997
---	--------------------------------------	---

**APPLICATION FOR RENEWAL OF EXEMPTIONS**

Aerolineas Argentinas S.A. (“Aerolineas”) hereby requests renewal of the exemption authority granted to it by the Department of Transportation (the “Department”) in the above-captioned dockets permitting Aerolineas to engage in the scheduled foreign air transportation of persons, property and mail between Buenos Aires, Argentina and the coterminal points Miami and Orlando, Florida, and beyond to various points in the Caribbean, Mexico and Canada. Aerolineas requests that these exemptions be renewed for an additional one-year period on their existing terms and conditions. Aerolineas relies on the provisions of the Administrative Procedures Act and Part 377 of the Department’s Procedural Regulations to continue its existing exemptions in effect pending a final decision on this renewal request.

Application for Renewal of Exemptions  
Dockets OST-96-1096, OST-96-1184 and  
OST-96-1997  
March 12, 1997

Aerolineas is requesting the simultaneous renewal of its exemption authority to reduce the administrative burden on both the Department and Aerolineas stemming from the current need to seek individual renewals for each of the exemptions described herein. By renewing all of Aerolineas' exemption authority simultaneously, the Department will eliminate the need for multiple renewal applications, thereby reducing the Department's workload as well as the regulatory burden on Aerolineas. At the same time, the Department will be afforded annually an opportunity to review Aerolineas' operations, as appropriate.

As indicated below, all of the factors that originally led the Department to grant these exemptions have been confirmed and continue in existence at the present time. Under these circumstances, Aerolineas submits that renewal of its exemption authority is clearly mandated under the Department's established procedures and is consistent with the public interest as established by the terms of the 1986 United States-Argentina Air Transport Services Agreement, the July 1994 Memorandum of Consultations and reciprocity and comity between the United States and Argentina. In further support of its request for renewal, Aerolineas states as follows:

1. Aerolineas is a major Latin American carrier and is the flag carrier of the Republic of Argentina. Aerolineas has operated successfully between

Application for Renewal of Exemptions  
Dockets OST-96-1096, OST-96-1184 and  
OST-96-1997  
March 12, 1997

Argentina and the United States for many years and currently holds a foreign air carrier permit issued by the Civil Aeronautics Board as well as exemption authority issued by the Department. Under authority of its foreign air carrier permit (Order 77-12-53) and exemption authority, Aerolineas currently provides scheduled service between Argentina and Miami, New York, Los Angeles and Orlando and beyond Orlando and Miami to San Juan and points in the Caribbean as well as Mexico.

2. Aerolineas is a citizen of Argentina; the company continues to meet all of the requirements of Argentine law for citizenship.

3. A description of the route authority for which renewal is requested is contained in Exhibit A.

4. The July 1994 Memorandum of Consultations ("MOC") between the United States and Argentina revised Annex I of the 1986 Air Transport Services Agreement. Virtually all of the services for which renewal is requested are permitted under Annex I to the MOC, including (i) service beyond Miami to San Juan, **Punta Cana**, Cancun, St. **Maarten**, Mexico City and Montreal; (ii) service to Orlando; and (iii) service beyond Orlando to Cancun and **Punta Cana**. The only service not contained in the MOC is Miami-Toronto. The Department has found previously, however, that overall comity and reciprocity between the

Application for Renewal of Exemptions  
Dockets OST-96-1096, OST-96-1184 and  
OST-96-1997  
March 12, 1997

United States and Argentina supports approval of Aerolineas' blind-sector operations on the Miami-Toronto route.'

5. Aerolineas is subject to the safety and operational rules of the Government of Argentina. Argentina is a contracting party to the Convention on International Civil Aviation and observes all applicable ICAO standards.

6. Aerolineas' renewal application raises no environmental or energy issues. All flights will continue to be operated with modern, noise-compliant Stage 3 aircraft. Similarly, approval of this renewal application will not result in a near-term increase in fuel consumption of ten million gallons or more.

---

<sup>1</sup>See Notice of Action Taken, Docket OST-96-1096, March 21, 1996.

Application for Renewal of Exemptions  
Dockets OST-96-1096, OST-96-1184 and  
OST-96-1997  
March 12, 1997

**WHEREFORE**, Aerolineas Argentinas S.A. respectfully requests that the Department of Transportation renew for a one-year period on their existing terms and conditions the exemptions held by Aerolineas in the above-captioned dockets.

Respectfully submitted,



Robert D. Papkin  
Edward W. Sauer  
Charles F. Donley II  
SQUIRE, SANDERS & DEMPSEY, L.L.P.  
1201 Pennsylvania Avenue, N.W.  
P.O. Box 407  
Washington, D.C. 20044  
(202) 626-660 1

Counsel to Aerolineas Argentinas S.A.

DATED: March 12, 1997

Application for Renewal of Exemptions  
Dockets OST-96-1096, OST-96-1184 and  
OST-96-1997  
March 12, 1997

Exhibit A

## **AEROLINEAS ARGENTINAS S.A.**

### **Doc ket OST-96-1096**

Authority to conduct scheduled combination services over the following six routings:

- (i) Buenos Aires-Miami-Punta Cana-Miami-Buenos Aires;
- (ii) Buenos Aires-Miami-Cancun-Mexico City-Cancun-Miami-Buenos Aires;
- (iii) Buenos Aires-Miami-Toronto-Montreal-Miami-Buenos Aires;
- (iv) Buenos Aires-San Juan-St. Maarten-San Juan-Miami-Buenos Aires;
- (v) Buenos Aires-Miami-Mexico City-Miami-Buenos Aires; and
- (vi) Buenos Aires-Miami-Toronto-Miami-Buenos Aires.

Service beyond Miami is conducted with aircraft wet-leased from authorized U.S. carriers; service between Miami and Toronto is operated on a blind-sector basis.

This exemption authority expires on March 21, 1997.

### **Docket OST-96-1184**

Authority to conduct scheduled combination services over the following route: Buenos Aires-Miami-Punta Cana-San Juan-Punta Cana-Miami-Buenos Aires. Service beyond Miami is conducted with aircraft wet-leased from authorized U.S. carriers.

This exemption authority expires on March 29, 1997.

Application for Renewal of Exemptions  
Dockets OST-96-1096, OST-96-1184 and  
OST-96-1997  
March 12, 1997

Exhibit A

**Docket OST-96-1997**

Authority to conduct scheduled combination services over the following two routes:

- (i) Buenos Aires-Orlando-Cancun-Orlando-Buenos Aires; and
- (ii) Buenos Aires-Orlando-Punta Cana-Orlando-Buenos Aires;

and to coterminate these operations with Aerolineas' authority in Dockets OST-96-1096 and OST-96-1184.

Service beyond Orlando is conducted with aircraft wet-leased from authorized U.S. carriers. This exemption authority expires on December 31, 1997.



**CERTIFICATE OF SERVICE**

I hereby certify that one copy of the foregoing Application for Renewal was served upon each of the persons listed below by first class mail, postage prepaid.

  
Charles F. Donley II

DATED: March 12, 1997

Stephen Gelband  
Hewes, Morella, Gelband & Lamberton  
1000 Potomac Street, N.W.  
Washington, D.C.  
FOR: TOWER AIR

Vance Fort  
WORLD CORP  
13873 Park Center Road  
Herndon, Virginia 22071

Nathaniel P. Breed, Jr.  
Shaw, Pittman, Potts & Trowbridge  
2300 N Street, N.W.  
Washington, D.C. 20037  
FOR: FEDERAL EXPRESS

Carl B. Nelson, Jr.  
AMERICAN AIRLINES, INC.  
1101 17th Street, N.W.  
Suite 600  
Washington, D.C. 20036

Jeffrey Manley  
Ginsburg, Feldman & Bress  
1250 Connecticut Avenue, N.W.  
Washington, D.C. 20036  
FOR: UNITED AIR LINES

William Callaway  
Zuckert, Scoutt, Rasenberger &  
Johnson  
888 17th Street, N.W.  
Washington, D.C.  
FOR: CHALLENGE AIR CARGO

Cecilia Bethke  
NORTHWEST AIRLINES, INC.  
901 15th Street, N.W.  
Room 310  
Washington, D.C. 20005

R.TenneyJohnson  
2300 N Street, N.W.  
Washington, D.C.  
FOR: DHL AIRWAYS

Lawrence Nagin  
US Airways  
2345 Crystal Drive  
Crystal Park Four  
Arlington, Virginia

Director, Flight Standards Service  
U.S. Federal Aviation Administration  
800 Independence Avenue, S.W.  
Room 821 --AFS-1  
Washington, D.C. 20591