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BEFORE THE DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
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DOCKET SECTION

Notice of Proposed Rulemaking re 14 CFR : FAA-1999-
Part 93, High Density Airports; Allocation : 4971-q
of Slots (U.S.-Canada) :

REPLY OF AMERICAN AIRLINES, INC.
TO COMMENTS OF UNITED AIR LINES, INC.
AND MOTION FOR LEAVE TO FILE

Communications with respect to this document should be sent to:

GERARD J. ARPEY
Senior Vice President -
Finance and Planning and
Chief Financial Officer
American Airlines, Inc.
P.O. Box 619616, MD 5621
DFW Airport, Texas 75261

WILLIAM K. RIS, JR.
Vice President - Government
Affairs
American Airlines, Inc.
1101 17th Street, N.W.
Suite 600
Washington, D.C. 20036

ARNOLD J. GROSSMAN
Vice President - International
Affairs
American Airlines, Inc.
P.O. Box 619616, MD 5635
DFW Airport, Texas 75261

CARL B. NELSON, JR.
Associate General Counsel
American Airlines, Inc.
1101 17th Street, N.W.
Suite 600
Washington, D.C. 20036
(202) 496-5647
(202) 857-4246 (fax)
carl_nelson@amrcorp.com
(email)

WALTER J. AUE
Vice President - Capacity
Planning
American Airlines, Inc.
P.O. Box 619616, MD 5535
DFW Airport, Texas 75261

February 19, 1999

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FEDERAL AVIATION ADMINISTRATION
WASHINGTON, D. C.

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Part 93, High Density Airports; Allocation : 4971
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REPLY OF AMERICAN AIRLINES, INC.
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American Airlines, Inc. hereby replies to the comments submitted in this docket on February 11, 1999 by United Air Lines, Inc. To the extent required, American requests leave to file. American's reply should be accepted in the interest of a complete record for the FAA's consideration and decision.

The preponderance of United's pleading concerns a matter that is not at issue in the NPRM -- the return of domestic O'Hare slots that the FAA withdraws from United on an annual basis up to a level that Congress capped by legislation in 1993.

United has raised this issue with the FAA twice before, and the FAA has twice rejected United's request for relief. See Denial of Exemption, FAA Docket 27151, March 30, 1993; Denial of Exemption, FAA Docket 29009, March 25, 1998. The FAA should reach the same result here.

As the FAA found in denying United's most recent exemption request on March 25, 1998, O'Hare slots have been withdrawn from United "based on a priority numbering system that was established by random lottery in 1986.... United made its selection or acquisition of slots with vulnerable withdrawal priority and planned its hub operation fully knowing the effect the rule's operation might have upon them.... United knew, or should have known, that these slots were vulnerable in case of withdrawal.... Granting [United's request] would afford United's vulnerable slots greater protection than that provided when the slots were initially allocated by FAA or otherwise acquired subsequently by United (p. 9).

The FAA further stated that "[a] grant of this request would not provide a net benefit to the general public because service that is provided by other carriers would be denied by FAA if the slots are not withdrawn from United" (p. 10). In that regard, American notes that a number of foreign carriers are currently seeking slots at O'Hare. The FAA should continue to use withdrawn slots for such operations.'

'United asserts that withdrawn slots may not be allocated to carriers that were not providing international service at O'Hare as of October 31, 1993, or that want to expand their international operations beyond what they were operating as of that date (p. 6). This is untrue. The FAA has allocated withdrawn slots to at least two foreign carriers -- Air Jamaica and Aer Lingus -- that had no operations at O'Hare as of October 31, 1993.

Finally, the FAA noted that "in 1993, when Congress addressed the issue of slot withdrawals at O'Hare, the Congressional action resulted in a 'cap' on the number of withdrawals as opposed to 'returning' of withdrawn slots. United [is seeking] action that Congress clearly did not impose through statutory remedy" (p. 10).

The FAA should once again deny United's request. Not only is the matter of returning withdrawn O'Hare slots not in issue in the NPRM,² but the FAA has already twice denied the result that United is seeking. Moreover, as the FAA has pointed out, Congress has declined to grant a legislative remedy.

Respectfully submitted,



CARL B. NELSON, JR.
Associate General Counsel
American Airlines, Inc.

February 19, 1999

²United itself acknowledges that the NPRM is silent on what the agency "intends to do with the 14 domestic slots it has been withdrawing seasonally for allocation to the Canadian carriers" (p. 7). There is, of course, no reason for the NPRM to address this issue, as the withdrawn slots will presumably continue to be allocated for international services at O'Hare, consistent with applicable regulatory and statutory provisions.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document by first-class mail on all persons named on the attached service list.


CARL B. NELSON, JR.

February 19, 1999

Jeffrey A. Manley
Kirkland & Ellis
655 15th Street, N.W.
Washington, D.C. 20005

Kenneth P. Quinn
Winthrop, Stimson, Putnam
& Roberts
1133 Connecticut Ave., N.W.
Suite 1200
Washington, D.C. 20036

Robert E. Cohn
Shaw, Pittman, Potts &
Trowbridge
2300 N Street, N.W.
Washington, D.C. 20037

Bradley Rubinstein
Port Authority of New York
& New Jersey
One World Trade Center
65N
New York, NY 10048

Megan Rae Poldy
Associate General Counsel
Northwest Airlines, Inc.
901 15th Street, N.W.
Suite 310
Washington, D.C. 20005

Edward P. Faberman
Michelle M. Faust
Air Carrier Ass'n of America
1747 Pennsylvania Ave., N.W.
Suite 900
Washington, D.C. 20006

Evelyn Sahr
Condon & Forsyth
1016 16th Street, N.W.
Washington, D.C. 20036

Anita M. Mosner
Galland, Kharasch & Gar-
finkle, P.C.
1054 31st Street, N.W.
Canal Square
Washington, D.C. 20007