



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

Issued by the Department of Transportation on June 9, 2004

NOTICE OF ACTION TAKEN -- DOCKET OST-2004-17899

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 United Air Lines, Inc. filed 5/14/04 and supplemented 6/8/04 for:

XX Allocation of 7 combination frequencies for fifth-freedom U.S.-Hong Kong services in connection with United's plans to provide daily scheduled combination services between San Francisco and Ho Chi Minh City, Vietnam via Hong Kong.¹

No answers were filed to the application.

Applicant rep.: Jeffrey A. Manley (202) 663-6670 DOT analyst: Linda Senese (202) 366-2367

DISPOSITION

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

The above action was effective when taken: **June 9, 2004**, and will remain in effect, subject to the conditions below.

XX **Action taken by:** Paul L. Gretch, Director
Office of International Aviation

XX **The authority granted is consistent with the October 19, 2002, Memorandum of Understanding between the Government of the United States and the Government of the Hong Kong Special Administrative Region of the People's Republic of China and with the Air Transport Agreement between the Government of the United States and the Government of the Socialist Republic of Vietnam.**²

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated: **XX** **Holder's certificates of public convenience and necessity**

(See Reverse Side)

¹ United requests that the allocation of frequencies be effective December 10, 2004. United indicates that it already holds the necessary underlying economic authority to operate services between San Francisco and Ho Chi Minh City via Hong Kong. However, United also requests designation under the U.S.-Vietnam air services agreement as a U.S. combination carrier. That request is being handled separately through diplomatic channels.

² Under the terms of the agreement with Vietnam, Hong Kong-Vietnam fifth-freedom combination traffic rights may not be exercised by U.S. carriers until October 15, 2005. However, in its supplement, United submits an exchange of letters between United and the Civil Aviation Administration of Vietnam (CAAV) that indicates that the CAAV has agreed to allow United to exercise the requested fifth-freedom rights as early as June 2004, a result that is consistent with United's proposed December 10, 2004 startup date.

Conditions: Consistent with our standard practice, the frequency allocation granted is subject to the condition that if any frequencies are not used for a period of 90 days (once inaugurated), the allocation as to each of those frequencies will expire automatically and the unused frequencies will revert to the Department for reallocation. If United does not begin service with the each of the seven allocated frequencies by December 17, 2004, each unused frequency will automatically revert to the Department for reallocation.

Under the authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; and (2) grant of the authority was consistent with the public interest. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the action taken in this Notice at any time without hearing at our discretion.

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 seven (7) 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/reports/reports_aviation.asp*