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

DEPT. OF TRANSPORTATION
DOCKETS
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In the matter of

**THE WENDALL H. FORD AVIATION
INVESTMENT AND REFORM ACT FOR
THE 21ST CENTURY**

Docket OST-2000-7181-23

**For exemptions from 14 C.F.R. Part 93, under
49 U.S.C. § 41718(a) (beyond-perimeter slot
exemptions for Reagan National Airport)**

Dated: May 5, 2000

APPLICATION OF NORTHWEST AIRLINES, INC.

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NOTICE: Answers to this application must be filed and served on all persons served with this application by May 22, 2000.

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

In the matter of

**THE WENDALL H. FORD AVIATION
INVESTMENT AND REFORM ACT FOR
THE 21ST CENTURY**

Docket OST-2000-7181

**For exemptions from 14 C.F.R. Part 93, under
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exemptions for Reagan National Airport)**

Dated: May 5, 2000

APPLICATION OF NORTHWEST AIRLINES, INC.

Northwest Airlines, Inc., (“Northwest”) pursuant to 49 U.S.C. § 41718(d)(1), hereby requests two of the twelve beyond-perimeter slot exemptions authorized for service at Ronald Reagan Washington National Airport (“DCA”) under Section 231 of the recently enacted Wendall H. Ford Aviation Investment and Reform Act for the 21st Century (“Air 21”). Northwest proposes to use these two beyond-perimeter slot exemptions to operate daily nonstop roundtrip service between DCA and Seattle-Tacoma International Airport (“SEA”). Northwest’s application to operate daily DCA-SEA nonstop service is fully consistent with each of the relevant exemption criterion set forth in Air 21. Northwest’s proposed service will promote air transportation, increase competition and provide enhanced service in the DCA-SEA local market, and numerous communities will enjoy improved service and first or competitive one-stop access to the Nation’s Capital via Northwest’s Seattle network.

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In further support of this application, Northwest submits the following:

I. Northwest's Service Proposal

Northwest proposes to operate one daily nonstop roundtrip flight between National Airport and Seattle utilizing Airbus 319 Stage-3 aircraft configured with 124 seats (16-First/108-Coach). Westbound, Northwest will offer an early morning departure from DCA at 8:30 a.m., arriving at SEA at 11:00 a.m. Eastbound, Northwest will offer an early afternoon departure from SEA at 1:00 p.m., arriving at DCA at 9:00 p.m. Northwest's daily flight is timed to provide convenient arrival and departure times at both DCA and SEA, and to maximize connecting service opportunities for passengers at SEA onto flights operated by Northwest and its code-share partners. At Seattle, Northwest offers service to 38 cities located in the western region of the United States, many of which are small or mid sized communities, and 8 international cities in Japan, Mexico and Canada. (See NW-1 and NW-2)

II. Northwest's DCA-SEA Service Proposal Meets Each of the Statutory Criterion for Award of Beyond Perimeter Slot Exemptions at DCA

Congress enacted the "Wendall H. Ford Aviation Investment and Reform Act for the 21st Century" ("Air 21") on March 15, 2000, and the bill was signed by President Clinton on April 5, 2000. Section 231(e) of Air 21, which creates a new 49 U.S.C. § 41718, directs the Department to grant twelve slot exemptions "to air carriers to operate limited frequencies and aircraft on select routes between Ronald Reagan Washington National Airport and domestic hub airports" located beyond the DCA perimeter (i.e., more than 1,250 miles from DCA), if the Secretary finds that such exemptions will:

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- “(1) provide air transportation with domestic network benefits in areas beyond the perimeter described in that section;
- (2) increase competition by new entrant air carriers or in multiple markets;
- (3) not reduce travel options for communities served by small hub airports and medium hub airports within the perimeter described in Section 49109; and
- (4) not result in meaningfully increased travel delays.”

Northwest’s proposed DCA-SEA daily nonstop service meets each of these statutory criteria.

A. Northwest’s DCA-SEA Service Will Provide Substantial Domestic Network Benefits in Areas Beyond the DCA Perimeter

Northwest will introduce daily roundtrip service between National Airport and Seattle, the fifth largest O&D market currently lacking nonstop access to DCA (NW-3). At Seattle, Northwest, together with its code-share partners, operates a substantial network of connecting service opportunities, including service to 38 cities in the western region of the United States, and 8 cities in Japan, Canada and Mexico (NW-2).

Northwest’s proposed daily roundtrip service between DCA and SEA will provide first one-stop access to Washington, D.C. (DCA and IAD) for 13 U.S. cities beyond the perimeter, and first one-stop access to DCA for an additional 3 beyond perimeter cities, located in Alaska, Oregon, Washington, Montana and Idaho. Most of these cities receiving first time one-stop access to DCA are small or medium sized communities as classified by the FAA.

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B. Northwest's DCA-SEA Service Will Increase Competition in Multiple Markets

Northwest's proposed daily roundtrip DCA-SEA service will increase competition in multiple markets. United currently is the only carrier operating nonstop service between the Washington, D.C. area (including DCA, IAD and BWI) and Seattle. United presently operates four daily roundtrip flights between IAD and SEA, using a combination of B757 and Airbus 319 and 320 aircraft. Northwest's proposed DCA-SEA daily roundtrip flight will compete head-to-head with United's current monopoly between Washington and Seattle. Northwest's connecting network at Seattle will increase one-stop competition to Washington (DCA and IAD) for 25 U.S. cities (5 of which will receive first time one-stop service to DCA) and introduce first one-stop service to Washington for an additional 13 U.S. cities (NW-2).

C. Northwest's Service Will Not Reduce Travel Options For Communities Served By Small Hub Airports and Medium Hub Airports Within the Perimeter of National Airport

Northwest has no plans to reduce its existing DCA services to any airport within the perimeter as a result of its proposal here. Communities located in the western United States with existing service to DCA through small hub or medium hub airports located within the DCA perimeter would benefit from a new, competitive one-stop travel option available by transiting through Northwest's Seattle network to DCA. By offering new competitive nonstop service between DCA and Seattle, the level of domestic network benefits and competitive service will be enhanced for passengers traveling throughout Northwest's system.

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D. Northwest's Proposed DCA-SEA Service Will Enhance Service Options and Will Not Result in Increased Travel Delays

Granting Northwest two exemption slots at DCA will not meaningfully increase travel delays at DCA or elsewhere in the national air transportation system. To the contrary, Northwest's proposed service will reduce travel times and increase convenience for thousands of passengers traveling between DCA and Seattle, including passengers originating in or destined for numerous small and medium sized communities served via Northwest's Seattle network. Thirteen U.S. cities will receive their first one-stop connecting opportunity to Washington, D.C. (DCA and IAD), and 3 U.S. cities will receive their first one-stop connecting opportunity to DCA (NW-2).

III. Grant of the Requested Slots to Northwest Is in the Public Interest

Congress has provided the Department with an explicit mandate to award the twelve exemption slots for beyond-perimeter flying at Ronald Reagan National Airport in a manner that (1) improves service to National for cities located in the western United States, particularly small and medium sized communities, and (2) promotes domestic air transportation. Awarding Northwest two exemptions slots to operate daily nonstop service between National and Seattle will accomplish both of these objectives. Seattle is one of the largest U.S. O&D markets currently lacking nonstop access to DCA. Northwest will provide Seattle with its first nonstop service to DCA, and its first competitive service to Washington, D.C. Northwest will offer significant improvements over existing travel options and enhanced competition between many cities in the western region of the United States and National, via Northwest's Seattle network. Under

Northwest DCA-SEA Service Benefits

- 38-onestop US mkts are made possible by new NW DCA-SEA service, including via codeshare with Alaska Airlines/Horizon Air
 - 13 US markets would have first onestop service to Washington, D.C. (DCA/IAD)
 - 5 US markets would have first competitive onestop service to Washington, D.C. (DCA/IAD)
 - 3 US markets would have first onestop service to DCA
 - 8 International onestop markets are also possible to Japan, Canada, and Mexico

Onestops due to DCA-SEA nonstop service		Sorted by DCA Passengers	
City	First Onestop to Washington, D.C. (DCA/IAD)	First Competitive Onestop to Washington, D.C. (DCA/IAD)	First Onestop to DCA
1	San Francisco, CA		
2	Honolulu, HI		
3	Phoenix, AZ		
4	Portland, OR		
5	Las Vegas, NV		
6	Sacramento, CA		
7	Anchorage, AK		
8	Reno, NV		
9	San Jose, CA		
10	Spokane, WA		
11	Ontario, CA		
12	Oakland, CA		
13	Boise, ID		
14	Billings, MT		
15	Bozeman, MT		
16	Fresno, CA		
17	Great Falls, MT	X	
18	Fairbanks, AK		X*
19	Helena, MT	X	
20	Pasco, WA	X	
21	Eugene, OR		X
22	Kalispell, MT		X*
23	Burbank, CA		
24	Juneau, AK	X	
25	Medford, OR	X	
26	Bellingham, WA	X	
27	Yakima, WA	X	
28	Butte, MT		X
29	Pullman, WA	X	
30	Redmond, OR	X	
31	Sun Valley, ID		X
32	Lewiston, ID	X	
33	Wenatchee, WA	X	
34	Ketchikan, AK	X	
35	Port Angeles, WA	X	
36	Sitka, AK	X	
37	Walla Walla, WA	X	
38	Moses Lake, WA	X	
INTERNATIONAL			
39	Tokyo, JP		
40	Vancouver, BC		
41	Calgary, AB		
42	Edmonton, AB		
43	Osaka, JP		
44	Puerto Vallarta, MX		
45	Victoria, BC		X
46	Kelowna, BC		X

* First Year Round Onestop Service to DCA

SEA is the 5th Largest Mkt Without Nonstop Service to DCA

Rank	Mkt	Enplanements
1	LAX	164,755
2	SFO	151,629
3	DEN	136,031
4	SAN	110,631
5	SEA	108,656
6	ABQ	108,087
7	SAT	102,681
8	AUS	84,013
9	PHX	78,359
10	SLC	72,823

Source: DB1A/Supersot Data YE3Q99

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Northwest's proposal, numerous small and medium sized communities will receive first or competitive single-connection access to DCA. The Department should grant two beyond-perimeter DCA exemption slots to Northwest for daily nonstop service between DCA and Seattle.

Respectfully submitted,



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Certificate of Service

I hereby certify that on this 5th day of May, 2000, I served a copy of the foregoing document of Northwest Airlines on the following individuals by first class mail, postage prepaid:

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