



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Issued by the Department of Transportation on May 15, 2020

NOTICE OF ACTION TAKEN -- DOCKET DOT-OST-2020-0037

On March 27, 2020, the President signed the Coronavirus Aid, Recovery, and Economic Security Act (CARES Act) into law. Sections 4005 and 4114(b) of the CARES Act authorize the Secretary of the U.S. Department of Transportation (Secretary) to require, “to the extent reasonable and practicable,” an air carrier receiving financial assistance under the act to maintain scheduled air transportation service as the Secretary deems necessary to ensure services to any point served by that air carrier before March 1, 2020 (Service Obligation). By Order 2020-4-2, the U.S. Department of Transportation established the parameters for implementation of the authority granted to the Secretary under the CARES Act, including an exemption process as described at pages 9-10 and in Appendix D of that order. This serves as notice to the public of an action taken by a Department official with regard to exemption(s) from Order 2020-4-2. No additional confirming order will be issued in this matter.

In the Department’s Notice of Adjustments to Service Obligations (May 12, 2020) (the “Notice”), a supplemental process for the Department to address exemption requests for covered points, the Department dismissed without prejudice all pending exemptions requests in Docket DOT-OST-2020-0037 not yet acted upon.¹ However, the Department has determined not to dismiss the instant exemption request, because it seeks a type of relief that is not covered by the Notice and “fall[s] under one of the Department’s established bases from prior notices of action taken” in the Order 2020-4-2 exemption process.² While footnote 12 in the Notice suggested that a covered carrier could resubmit such a request through the normal exemption process, the instant request was already pending and adjudication of it by the Department was nearly complete on May 12, 2020, the date of the Notice’s issuance. Accordingly, we are not requiring Alaska Airlines, Inc. to resubmit its request and we are disposing of the instant petition through a decision under the Order 2020-4-2 exemption process.

Applicant: **Alaska Airlines, Inc. (Alaska)**³

Date Filed: **May 7, 2020**

XX Seasonal Exemption: Alaska requests that the Department approve temporary suspension of service to the following covered points from its Service Obligation under the provisions of Order 2020-4-2. Specifically, Alaska seeks an exemption to delay service for these seasonal points until the scheduled start-up date of June 6, 2020, and seeks an exemption to temporarily suspend service to these points after its scheduled end dates of August 5, 2020, for King Salmon and August 26, 2020, for Dillingham.

- (1) King Salmon, AK (AKN)
- (2) Dillingham, AK (DLG)

Alaska states that it seeks this exemption to align the start/stop dates of its service at these points for the summer 2020 season with the periods it conducted operations to these points in previous summer seasons. It states that in the past it has served King Salmon and Dillingham only from early June until August; and that it would not be reasonable or practicable for it to extend the duration of its seasonal services beyond its historic service pattern, noting that the operation of these services requires it to arrange supporting staffing and facilities at these points. It states that the Department has granted similar exemptions for seasonal operations to American Airlines, Inc. and Delta Air Lines, Inc., and that its services to King Salmon and Dillingham are timed to correspond to Alaska’s summer fishing season.

¹ See Notice, n.12.

² *Id.*

³ A copy of Alaska’s application and the basis for its exemption request can be found at: <https://www.regulations.gov/document?D=DOT-OST-2020-0037-0136>.

XX Waiver from the 10-business day advance filing requirement for the covered carrier’s proposed service alteration dates.

Responsive pleadings: Letters in support of Alaska’s request have been filed by the City of Dillingham, Alaska, and the Bristol Bay Borough, Alaska.

DISPOSITION

XX **Granted (see below)**

Action date: **May 15, 2020**

Requests for exemption granted and effective dates of authority granted:⁴

For King Salmon, Alaska: **May 15, 2020 through June 5, 2020 and August 6, 2020 through September 30, 2020**

For Dillingham, Alaska: **May 15, 2020 through June 5, 2020 and August 27, 2020 through September 30, 2020**

This authority is subject to the terms, conditions, and limitations indicated:

XX **Holder’s certificate(s) of public convenience and necessity**

XX **Standard exemption conditions (attached)**

Basis for approval: We find the grant of Alaska’s request for exemption is warranted. We concur with the carrier’s view that, in the circumstances presented, it would not be reasonable or practicable for it to commence its seasonal services to King Salmon and Dillingham before or after the dates it had planned for 2020 and that it had historically operated. As Alaska notes, our action here is consistent with earlier actions we have taken granting exemptions allowing carriers to alter the dates of their commencement and termination of seasonal service in comparable circumstances.⁵

Finally, we grant Alaska’s request for a waiver of the 10-business day advance filing requirement for exemptions under Order 2020-4-2, so that its proposed schedule changes can be implemented promptly.⁶

We may amend, modify, or revoke this exemption at any time without hearing at our discretion.

⁴ The effectiveness of this authority will terminate on the dates specified. Should the carrier wish to alter the date(s) of effectiveness, it must file another request for an exemption in accordance with the exemption process as described in Appendix D of Order 2020-4-2.

⁵ See Notices of Action Taken in this Docket dated April 17, 2020 (Delta Air Lines) and April 30, 2020 (American Airlines).

⁶ In our earlier, April 17, 2020, Notice of Action Taken granting Alaska an exemption, among other things, to temporarily suspend service at Sun Valley, Idaho, we noted that the carrier had stated its service to that point had been supported financially by Fly Sun Valley, Inc., and it was seeking funding from the organization for the summer 2020 season. We stated “[u]ntil such time as Alaska submits a letter or agreement from the funding party indicating that the direct financial support has ceased, we will require Alaska to serve Sun Valley Idaho, beginning June 1, 2020.” In its May 7 exemption request for King Salmon and Dillingham, Alaska attached a letter from Fly Sun Valley stating that it will be providing funding for the carrier’s operations at Sun Valley only from June 25 through September 30, 2020. In light of this letter, and consistent with the terms of our April 17 Notice, Alaska must resume service at Sun Valley on June 25, 2020.

Persons entitled to petition the Department for reconsideration of the action set forth in this Notice under the Department's regulations, 14 CFR § 302.14, may file their petitions within ten (10) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for reconsideration will not alter such effectiveness.

Action taken by: David Short
Deputy Assistant Secretary
Aviation and International Affairs

An electronic version of this document is available on the World Wide Web at:
<http://www.regulations.gov>

U.S. Carrier Exemption Conditions

In the conduct of the operations authorized, the U.S. carrier applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with consumer protection and civil rights requirements, including, but not limited, to requirements contained in 14 CFR Parts 250, 254, 257, 259, 374, 382 and 399;
- (3) Comply with the requirements for reporting data to the Department, including, but not limited, to requirements contained in 14 CFR Parts 234, 241, and 244;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with all applicable requirements of the Federal Aviation Administration, the Transportation Security Administration, and with all applicable U.S. Government requirements concerning security, including, but not limited to, 49 CFR Part 1544. To ensure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) to or from a foreign airport, contact its Principal Security Inspector (PSI) to advise the PSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served;
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.