



BEFORE THE
U.S. DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION

APR 12 1999 11:27

In the matter of new U.S.-Russia Opportunities)))))))	Docket OST-99-5286
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REPLY OF ALASKA AIRLINES, INC.

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ALASKA AIRLINES, INC.
Washington Counsel

Dated: April 12, 1999

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On March 29, 1999 Alaska filed its application in this proceeding seeking to preserve the single U.S.-Russia combination frequency currently allocated to it. Alaska pointed out that while that frequency had been temporarily idle in accordance with a waiver previously granted by the Department, Alaska was now prepared to make full use of it in a codesharing relationship with Reeve Aleutian Airways, Inc. ("Reeve"). This single frequency would thus enable Alaska to maintain a foothold in the US-Russia markets and make it possible to provide improved service to the Russian Far East for passengers travelling on its system. Alaska also stated that retention of this single frequency would in no way impact the operations of other U.S. carriers wishing to serve the US-Russia markets. Alaska supplemented its initial application to include a copy of the agreement pursuant to which it and Reeve will codeshare.

In other filings on March 29, three other carriers sought authority for third country codeshares beginning January 22, 2000; two carriers asked for increased overflight rights; and one carrier sought to perform cargo operations. The answers filed in the proceeding on April 5 made it clear that the only controverted issues are third country codesharing and overflight rights.

Alaska's request for the continued availability of its single frequency is unopposed. Maintaining the allocation of that frequency to Alaska will not adversely affect any other party's proposal in this proceeding. In particular, it will not impact the Department's decision concerning third party codesharing, since the possible need for carrier selection for this service arises from specific limitations on third country codesharing imposed by the recent Memorandum of Consultations, and not from the general frequency allocations. Retention of this frequency by Alaska will also have no effect on the availability of overflight rights to any carrier.

In view of the compelling public interest factors cited in Alaska's application, and the lack of opposition from, or adverse effect on, other carriers, Alaska hereby requests that the Department promptly reaffirm the allocation to it of a single frequency in the United States-Russia markets.

Respectfully submitted,

A handwritten signature in black ink that reads "Edward W. Sauer". The signature is written in a cursive, flowing style with a large initial "E".

Edward W. Sauer

April 12, 1999