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ORDER 2000-7-32



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

Issued by the Department of Transportation
on the 27th day of July, 2000

Essential Air Service at

PONCE, PUERTO RICO

Under 49 U.S.C. 41731 *et seq.*

Served: July 31, 2000

Docket OST-1999-6592 - 7

ORDER EXTENDING SERVICE OBLIGATION

Summary

By this order, the Department is extending American Eagle's service obligation at Ponce, Puerto Rico, for an additional 30 days, through August 30, 2000.

Background

On December 2, 1999, Executive Airlines, Inc., d/b/a American Eagle (American Eagle), filed a 90-day notice of its intent to suspend its subsidy-free service at Ponce, effective March 2, 2000. American Eagle currently provides ten nonstop round trips a week in the Ponce-San Juan market. By Order 2000-2-6, February 3, 2000, the Department prohibited American Eagle from suspending service at the community for an initial 30-day period and stated that we would issue subsequent 30-day hold-in orders until we could secure replacement service. That order also requested proposals from carriers interested in providing replacement service. As required by 49 U.S.C. 41734, we have extended American Eagle's service obligation for additional 30-day periods, the latest through July 31, 2000, by Order 2000-6-17.

Since it is unlikely this case will be concluded before the end of the current 30-day hold-in period, as required by 49 U.S.C. 41734, we are extending American Eagle's service obligation for an additional 30 days, or until replacement service actually begins, whichever occurs first.

This order is issued under authority assigned in 14 CFR 385.12(k)(5).

ACCORDINGLY,

1. The Department requires Executive Airlines, Inc., d/b/a American Eagle, to maintain essential air service at Ponce, Puerto Rico, consisting of ten nonstop round trips a week to

San Juan for an additional 30-day period, through August 30, 2000, or until a carrier capable of providing reliable replacement service actually begins, whichever occurs first;¹

2. The Department directs American Eagle to retain all books, records, and other source and summary documents to support subsidy claims for payment and to preserve and maintain such documentation in a manner that readily permits its audit and examination by representatives of the Department. Such documentation shall be retained for seven years or until the Department indicates that the records may be destroyed. Copies of flight logs for aircraft sold or disposed of must be retained. The carrier may forfeit its compensation for any claim that is not supported under the terms of this order;

3. Docket OST-1999-6592 will remain open until further order of the Department; and

4. The Department will serve a copy of this order on the Mayor and Airport Manager of Ponce, Puerto Rico; the Puerto Rico Ports Authority; and Executive Airlines Inc., d/b/a American Eagle.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.50, must file such petitions within ten days after the date of service of this order.

This order will be effective immediately, and the filing of a petition for review shall not preclude its effectiveness.

By:

RANDALL D. BENNETT
Acting Director
Office of Aviation Analysis

(SEAL)

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

¹ In accordance with 49 U.S.C. 41734(c), we will extend American Eagle's service obligation for successive 30-day periods as necessary until replacement service actually begins.