

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

Application of	)	
	)	
<b>DELTA AIR LINES, INC.</b>	)	
<b>for a certificate of Public Convenience and Necessity</b>	)	Docket OST-97-3218
	)	
<b>(Atlanta/New York-South America)</b>	)	
	)	
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	)	
<b>U.S.-LIMA COMBINATION SERVICE</b>	)	Undocketed
<b>OPPORTUNITIES</b>	)	
	)	

**RESPONSE OF DELTA AIR LINES, INC.**

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June 12, 1998

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By Notice dated June 8, 1998, the Department invited applications from U.S. carriers interested in utilizing the frequencies available under the recent U.S.-Peru Memorandum of Consultations (the "MOC"). The Department stated that absent the filing of competing requests, the Department intended to allocate seven weekly frequencies to American for its Miami-Lima services.

Delta Air Lines, Inc. ("Delta") hereby responds to the Department's Notice. Delta is rapidly developing Atlanta as a major connecting hub for service to Latin America, and will begin service between Atlanta and Lima on July 1, 1998. The second element of Delta's plan to become a major competitor in Latin America involves developing a substantial route network between New York (JFK) and key South American cities. Delta currently has an application

on file for U.S.-South America certificate authority, including New York-Lima. Delta proposes to begin New York-Lima service on June 12, 1999, when 14 additional frequencies become available under the terms of the MOC.

New York is one of the largest and most important U.S.-Latin America O&D markets, second only to Miami in terms of passengers. New York is also Delta's largest international gateway. However, unlike its three largest U.S.-Latin America competitors, Delta has not been granted any limited entry authority to serve any restricted markets in Latin America from New York.

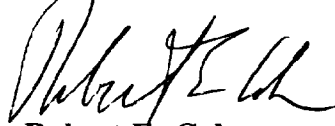
Delta's proposals currently before the Department would strengthen U.S.-Latin America competition and rectify this gap in Delta's international route authority. As part of its proposed services, Delta intends to build its New York-Latin America presence by adding JFK-Lima service in June 1999. In addition, Delta is seeking New York (JFK)-Brazil authority in the 1998 U.S.-Brazil Combination Service Proceeding (Docket OST-98-3863).

Installing Delta as a major competitor against the existing U.S. and foreign flag incumbents providing New York (JFK)-Latin America service should be among the Department's highest priorities. JFK is an important component of Delta's network expansion into Latin America, and the introduction of Delta's competitive services, as reflected in Delta's pending applications before the Department, will provide substantial service and

competitive benefits, substantially improving the competitive market structure between the United States and Latin America.

For these reasons, Delta urges the Department promptly to consider Delta's application for the 1999 Peru frequencies so that Delta will have the authority well in advance of the start-up date to allow for the successful implementation and marketing of its JFK-Lima service.

Respectfully submitted,



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