BEFORE THE

DEPARTMENT OF TRANSPORTATION

WASHINGTON, D.C.

:

Application of

UNITED AIRLINES, INC.

Docket DOT-OST-2019-0014

in the matter of 2019 U.S.-Haneda Combination Services Allocation Proceeding

APPLICATION OF UNITED AIRLINES, INC.

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United¹ submits this Application for an allocation of a total of 12 U.S. – Tokyo (Haneda) frequencies for increased year-round nonstop service to Haneda. Specifically, United applies for allocation of the slot pair returned by Delta (seven weekly frequencies) so that United may institute daily Houston – Haneda service. Additionally, United applies for five weekly frequencies from the night-time only slot pair Hawaiian currently holds for Kona/Honolulu – Haneda service but shows no plans to operate so that United may institute the first-ever Guam – Haneda service.² Should Hawaiian consolidate flying to their two daytime slots, United would request the final two weekly nighttime frequencies.

Awarding these unused frequencies to United will ensure that these underutilized Haneda slot pairs are finally put to their highest and best use. These awards will allow United to serve the

¹ Common names are used for airlines.

² United will operate five days of the week Hawaiian shows no plans to operate with the same slot pair. As of September 25, Hawaiian continues to only sell two frequencies of their nighttime only slot pair allocated to Hawaiian for Kona/Honolulu – Haneda service during most of the Winter 2023 IATA season. United is not aware of any technical or policy reason that would preclude the Department from splitting the use of a slot pair between two different U.S. airlines so long as the combination of use is no more than seven weekly frequencies (or daily service).

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traveling public with convenient, daily service between United's key hub at Houston, one of the largest metropolitan areas in the U.S. where demand for flights to Tokyo is among the largest in the U.S., as well as provide first-ever Guam – Haneda service, enhancing travel opportunities for tourism, and business travelers flying to/from Guam.

United states as follows in support of its application:

1. The Department's temporary blanket waiver of the dormancy conditions allows carriers until October 1 to file their notice regarding those limited-entry route rights that the carrier will not be using beginning October 29, 2023.³ On September 22, 2023, Delta submitted a letter to the Department indicating it will not utilize the slot pair awarded long ago to Delta for Portland – Haneda service.⁴ It is a shame that Delta has known for weeks, if not months, that it has no intention of flying Portland – Haneda with plenty of opportunities to clarify its intentions for the Department and consumers,⁵ but chose instead to hold the slot pair until near the Department's deadline. In stark contrast to its behavior with its Portland – Haneda slot, which it has not operated since it first received the slot and has maintained high fares meant to inhibit – not promote – sales, Delta has been highly active in Tokyo selling its Honolulu – Haneda route. Notwithstanding the above, United is appreciative of the clarity the September 22, 2023 Delta letter finally provides and which allows United to apply for the slot pair to put it to full use for daily service between Houston and Haneda.

2. Hawaiian has also been less than forthcoming about its plans for its Haneda slots and has also underutilized its nighttime only Haneda slot to the detriment of consumers and

³ *See* DOT Notice of Action Taken dated Aug. 11, 2023, Docket DOT-OST-2020-0035.

⁴ See Letter from Delta Air Lines re: Haneda Slots (Sep. 22, 2023), Dockets DOT-OST-2019-0014 and DOT-OST-2020-0035.

⁵ See Objection of United Airlines, Inc. at 9-10 (May 8, 2023), Docket DOT-OST-2019-0014.

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communities. United understands the devastation of the Maui wildfire tragedy that has impacted travel in Hawaii and United has contributed resources to and for those who have been impacted in Maui.⁶ However, even prior to the devastating wildfires, Hawaiian was not fully utilizing its Haneda slots, and there was no indication based on its pricing and schedule loads that it was going to fully utilize the nighttime only slot pair. While United remains deeply sympathetic to the devastation in Maui, United does not believe the circumstances warrant Hawaiian special flexibility or alleviation from the conditions associated with the slot pairs, should Hawaiian attempt to suggest so. Although Hawaiian has until October 1, 2023 to make clear its intentions with its nighttime only slot, United applies, as relevant, for authority to use that slot pair on days of the week Hawaiian will not operate to provide service between Guam and Haneda.

3. The Department is presented with the opportunity to ensure these valuable frequencies are fully used to meet passenger demand from those carriers that are best able and willing to offer and maintain service. While Delta is, and Hawaiian may be, unwilling or unable to fully utilize Haneda assets, United is so unwavering in its commitment to ensure effective use of these limited entry route rights that it is prepared to launch these new Haneda slots as quickly as December 1, 2023 after a final award from the Department.⁷ United will be using the available Haneda rights to operate its own aircraft with its own employees between Houston – Haneda and Guam – Haneda.

⁶ See United Airlines Has Helped Evacuate Over 11,000 People from Maui, Simple Flying, <u>https://simpleflying.com/united-airlines-evacuates-11000-people-maui/</u>. See A United Airlines pilot on vacation in Hawaii volunteered to fly a plane from Maui to mainland US to help 330 people escape the fire, Business Insider, <u>https://www.cbsnews.com/colorado/news/colorado-pilot-united-airlines-employees-maui-wildfires/</u>.

⁷ United will endeavor to work expeditiously to confirm slot approvals, ground handling services, and other approvals necessary to operate its proposed Houston and Guam – Haneda services 60 days after an award by the Department or as close to 60 days as possible.

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4. Awarding these frequencies to United for new Haneda gateways is in the public interest. Houston serves one of the nation's largest metropolitan areas and caters to one of the largest markets in the central U.S. for demand to Tokyo. An award of these frequencies to United for Houston — Haneda service will deliver significant consumer benefits as it will offer additional nonstop U.S. – Haneda service using aircraft from United's existing fleet, provide additional travel options (both connecting and nonstop) to consumers and shippers, enhance time of day coverage at each of Haneda and Houston from the current ANA Houston – Haneda flight, and ensure these valuable assets are fully optimized. The consumer benefits of a potential United Houston – Haneda route are numerous. Though not ultimately selected in the last Haneda route proceeding given other priorities, the Department has previously recognized "that United's Houston proposal would offer connections to Haneda from 32 U.S. airports and would provide the Southern United States with an alternative U.S.-Haneda gateway."⁸ The city of Houston is already on record supporting United's efforts to operate its own flight between Houston and Haneda.⁹

5. In addition, granting unused nighttime only frequencies to United to institute the first-ever Guam – Haneda service is in the public interest as it will create new service to Tokyo's preferred downtown airport – Haneda – and to the many domestic points served across Japan via Haneda. A United Guam – Haneda flight will deliver significant public benefits as it will provide enhanced service to tourism and business travelers in one of the largest Pacific island gateways for U.S. – Japan traffic. It will provide significant benefit to Guam by giving the island the chance to compete with Hawaii in the Haneda – U.S. market, including for Japanese travelers who are critical to Guam's economy and who prefer Haneda as an origin or connecting point for their travel needs.

See DOT Order to Show Cause, Order 2019-5-13 at 8 (May 16, 2019), Docket DOT-OST-2019-0014.

⁸ 9

See Objection of United Airlines, Inc. at Exhibit A (May 8, 2023), Docket DOT-OST-2019-0014.

The Governor of Guam is already on record supporting United's efforts to operate first ever scheduled service between Haneda and Guam.¹⁰

6. United's application for these unused frequencies will maximize the public benefits of the Haneda slots consistent with Department precedent. "Where frequency allocations are not being operated effectively, the Department has the authority to reallocate them to ensure that they are used effectively and in a manner that promotes competition and otherwise best serves the public interest."¹¹ The Department's primary goal in awarding limited resources such as Haneda slot pairs has always been to maximize public benefits – i.e., which applicants will be most likely to offer and maintain the best service for the traveling and shipping public. In allocating these unused and available frequencies to United the Department will be providing "the most effective access to Haneda."¹² United's application reflects its experience in and commitment to the U.S. – -Japan market and will ensure that the Haneda slots are utilized to their fullest extent for the traveling public.

7. For the proposed Houston – Haneda route, United flight UA7 will depart Houston at 12:30 and arrive at Haneda at 17:45 the following day. On the return, flight UA6 will depart Haneda at 19:40 and arrive at Houston at 16:30 the same day. For the proposed summer schedule, United flight UA7 will depart Houston at 10:15 and arrive at Haneda at 13:35 the following day. On the return, flight UA6 will depart Haneda at 16:30 and arrive at Houston at 14:40 the same

I0 Id.

¹¹ See DOT Order 2014-12-9 at 5 (Dec. 15, 2014), Docket DOT-OST-2010-0018 (citing DOT Order 95-2-30, at 5 and DOT Order 94-12-7, at 8).

¹² See DOT Order 2016-7-14, Order to Show Cause at 8 (Jul. 20, 2016), Docket DOT-OST-2016-0048.

day.¹³ United stands ready to institute this proposed service as quickly as December 1, 2023 after a final award from the Department.¹⁴

8. For the proposed Guam – Haneda route, United flight UA848 will depart Guam at 19:10 and arrive at Haneda at 22:00 the same day. On the return, flight UA849 will depart Haneda at 23:55 and arrive at Guam at 04:40 the next day. For the proposed summer schedule, United flight UA848 will depart Guam at 19:00 and arrive at Haneda at 22:00 the same day. On the return, flight UA848 will depart Guam at 19:00 and arrive at Guam at 04:45 the next day.¹⁵ United stands ready to institute this proposed service as quickly as December 1, 2023 after a final award from the Department.¹⁶

9. United holds various certificates of public convenience and necessity and exemptions authorizing it to engage in scheduled air transportation of persons, property, and mail between the U.S. and foreign countries, and United is fit, willing, and able to provide the Houston – Haneda service that is the subject of this application. *See, e.g.*, Orders 2013-4-11 (reissuing United/Continental authorities to United), 2011-3-14 (United/Continental route transfer), 2007-4-19 (Blanket Open Skies), and Notice of Action Taken dated May 14, 2019, in Docket DOT-OST-2004-19148 (blanket worldwide codesharing). Pursuant to Rule 24 of the Department's Rules of Practice, United requests that the Department take official notice of all information and data that have been filed to establish its fitness.

¹³ United has proposed its preferred arrival and departure times at Haneda for its Houston services and will make its best efforts with the Japan Slot Coordination policies to obtain slots at United's noted times, even if United times differ from Delta's Haneda arrival and depart times.

¹⁴ United will do its best to secure the regulatory and infrastructure approvals required to institute this service.

¹⁵ United has proposed its preferred arrival and departure times at Haneda for its Guam services and will make best efforts with the Japan Slot Coordination policies to obtain slots at United's noted times on days of the week United will operate, even if United times differ from Hawaiian's Haneda arrival and depart times.

¹⁶ United will do its best to secure the regulatory and infrastructure approvals required to institute this service.

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WHEREFORE, for the foregoing reasons, United respectfully requests that the Department grants its application for: (1) seven weekly frequencies for United to operate year-round nonstop scheduled transportation of persons, property, and mail between Houston and Tokyo Haneda; (2) five weekly frequencies for United to operate year-round nonstop scheduled transportation of persons, property, and mail between Guam and Tokyo Haneda; and (3) such other relief that the Department deems necessary and in the public interest.

Respectfully submitted,

Amna Arshad

Freshfields Bruckhaus Deringer LLP

Counsel for United Airlines, Inc.

September 25, 2023

CERTIFICATE OF SERVICE

I certify that I have this date served the foregoing document on the following persons by causing a copy to be sent electronically in accordance with the Department's Rules of Practice:

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September 25, 2023