WASHINGTON (Reuters) - Boston airport authorities cannot stop Continental Airlines from offering wireless Internet service in its frequent flier lounge under a proposed Federal Communications Commission ruling, sources familiar with the matter told Reuters on Wednesday.

The Massachusetts Port Authority, or Massport, instructed airlines in 2005 to unplug their wireless and wireline high-speed Internet access in frequent flier lounges at Boston-Logan International Airport and use the fee-based system the airport was launching.

Continental petitioned the FCC to keep its free service running and was later supported by wireless service providers, other airlines and package delivery service United Parcel Service.

Massport contends the rival services would interfere with its network offered at Logan, raise safety concerns, and violate lease agreements.

But FCC Chairman Kevin Martin has proposed backing Continental's request, said the sources, who include telecommunications lawyers.

The proposed ruling favoring Continental has been sent to the four other FCC commissioners for a vote, the sources said. Martin would have to win the support of at least two commissioners for it to pass.

An FCC spokeswoman declined to comment. Massport officials were not immediately available for comment.

"We are optimistic that the FCC will confirm Continental's right, consistent with the agency's existing rules, to continue providing free Wi-Fi service to Continental customers at Logan and other airports," said Continental spokesman Dave Messing.

If Continental wins, the FCC ruling could serve as a precedent for other airlines and...
Continental wins, the FCC ruling could serve as a precedent for other airlines and Internet service providers to offer airport Internet access, often sought by business travelers.

Wireless communications provider T-Mobile USA withdrew its service from American Airlines' lounge at Boston airport as a result of the Massport demand.

Continental offers the Internet access to members of its frequent flier club for free and told the FCC that the cost for using the Massport system was "unknown and potentially higher than what it costs Continental to operate its own antenna."

The airlines and wireless providers cited the FCC's Over-the-Air Reception Devices regulations as the justification for allowing them to offer the Wi-Fi service.

Massport countered that those regulations do not authorize Continental's service. It told the FCC that the airline's system has already caused interference with other users at the airport.