

ORIGINALDecision No. 64032

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of West Coast Airlines, Inc., for)
authority to increase intrastate)
air passenger fares.)

Application No. 44348
(Filed April 12, 1962)
(Amended April 19, 1962)

OPINION AND ORDER

West Coast Airlines, Inc., is a Washington corporation engaged in the transportation of passengers and property by air. It serves points in the Pacific Northwest as well as Alberta, Canada. In California applicant operates in intrastate as well as interstate commerce, providing local service between San Francisco, Oakland and Sacramento. It operates two daily flights in that service.

By this application it seeks authority to increase passenger fares. The present fares and the proposed fares are summarized in Table I.

TABLE I

West Coast Airlines, Inc.
Present and Proposed Fares

<u>One Way Adult Fare</u>			
<u>Between</u>	<u>- And</u>	<u>Present</u>	<u>Proposed</u>
Sacramento	San Francisco	\$8.35	\$8.65
	Oakland	8.35	8.65
San Francisco	Oakland	5.80	6.00
<u>Minimum Family Plan Fares*</u>			
<u>One Way</u>		<u>Round Trip</u>	
<u>Present</u>	<u>Proposed</u>	<u>Present</u>	<u>Proposed</u>
\$4.70	\$4.85	\$9.40	\$9.70

*Family plan fares offer a discount of 33-1/3 percent subject to the minimum fare set forth above.

The proposed fares were made effective on interstate passenger traffic on February 2, 1962.

Applicant is a local service carrier. It received \$5,244,978 in Federal subsidy in 1961. The revenue from intrastate passenger fares in 1961 was \$3,509.15. Applicant estimates that had the proposed fares been in effect the revenue would have been \$3,633.92 or an increase of \$124.77.

According to the application, for the year ended December 31, 1961, applicant had revenues from all operations amounting to \$7,062,519 and operating expenses of \$10,982,215. An analysis of the expenses attributable to the transportation of California intrastate passengers was not made.

The proposed one-way fares are the same as the first class fares of United Air Lines, Inc., for service on piston aircraft. Applicant operates turbo-prop aircraft.

Applicant's participation in California intrastate passenger traffic is very small. The additional revenue which will be received from the proposed increases is very slight. While the application does not show the expenses attributable to the transportation of California intrastate passengers, in its over-all operation the operating expenses have greatly exceeded its operating revenues.

The application states that applicant maintains combination rates with other airlines so that the difference between the interstate fares and the intrastate fares not only causes confusion on the part of West Coast's employees and agents but on the part of other airlines and the public as well.

Copies of the application, as amended, were served upon officials of the municipalities involved. No protests have been received by the Commission. After consideration we find that the

proposed increases are justified and that a public hearing is not necessary; therefore,

IT IS ORDERED that:

1. West Coast Airlines, Inc., is authorized to establish the increased passenger fares proposed in its application, as amended.

2. The increased passenger fares authorized herein shall not exceed the applicable fares concurrently maintained by applicant for the interstate transportation of passengers between the same points.

3. The tariff publications authorized to be made as a result of the order herein may be made effective not earlier than ten days after the effective date hereof on not less than ten days' notice to the Commission and to the public.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 3/27
day of JULY, 1962.

George G. Brown
President

[Signature]

[Signature]

Frederick B. Hoffmann
Commissioners