

Decision No. 70398**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's  
own motion into the operations and  
practices of SAN FRANCISCO & OAKLAND  
HELICOPTER AIRLINES, INC., a  
corporation, and BELL AEROSYSTEMS CO.,  
a Division of BELL AEROSPACE  
CORPORATION, a corporation.

Case No. 8314  
(Filed December 7, 1965)

ORDER GRANTING REQUEST OF  
BELL AEROSYSTEMS COMPANY  
FOR DISCONTINUANCE OF INVESTIGATION

By letter from Joseph E. Conners, Secretary and Chief Counsel of Bell Aerosystems Company, dated December 23, 1965, Bell Aerosystems Company requested that it be dropped from the proceeding herein in order that it might be spared the expense and inconvenience which would otherwise be involved. Said letter is hereby made a part of the record in this proceeding and will be considered as a motion for dismissal as to Bell Aerosystems Company.

Said letter sets forth the following as grounds for the dismissal:

"1. We purchased two British air cushion vehicles and rented them to the City of Oakland in February 1965.

"2. The City of Oakland acting through its Board of Port Commissioners then leased them to San Francisco and Oakland Helicopter Airlines, Inc., and it agreed to operate them between points in the Bay area. Bell was not a party to this lease. It provides in part:

'SFO shall, in conjunction with the Port, obtain all governmental licenses and permits required for the operation of the ACV service, as scheduled and described in this paragraph 11, and SFO shall amend its tariffs so as to include ACV service pursuant to this project'.

"3. Since the Bureau of Customs ruled that these vehicles are vessels, the Foreign Bottoms or Jones Act (46 U.S. Code, Sec. 11) applied with respect to their operation in the United States. However, upon recommendation of the Secretary of the Navy, the Secretary of Defense issued a determination that this operation was in the interest of National Defense and the Commissioner of Customs therefore on Sept. 18, 1964 granted an exemption from that Act in order that the vessels could be operated.

"4. The vessels are duly registered by the U. S. Coast Guard as 'City of Oakland', No. 500212 and 'Port of Oakland', No. 500213.

"5. We understand that SFO has a certificate of convenience and necessity, from the Civil Aeronautics Board which originally limited it to the utilization of rotary-wing aircraft but that the CAB exempted it from this limitation to enable it to conduct the operation of the air cushion vehicles in San Francisco Bay.

"6. Bell's connection with this operation is that it leased the vessels to the City of Oakland. Bell has never conducted the operation referred to and does not now do so."

Therefore, IT IS ORDERED that the request of respondent Bell Aerosystems Company, a division of Bell Aerospace Corporation, for discontinuance of the investigation herein as to said corporation is granted, and the investigation herein is discontinued as to said respondent without prejudice to initiating another investigation at a later time.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 1st day of MARCH, 1966.

Fredrick B. Blalock  
President  
John H. Mitchell  
George H. Crow  
Morgan  
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.