

ORIGINALDecision No. 75297

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC SOUTHWEST
AIRLINES for a certificate of
public convenience and necessity,
in either direction, between San
Diego and Ontario, California.

Application No. 50730
(Filed December 6, 1968)

O P I N I O N

Applicant Pacific Southwest Airlines (PSA), a corporation, requests a certificate of public convenience and necessity, pursuant to Sections 2742 through 2765 of the Public Utilities Code, to transport passengers by air between San Diego and Ontario, California, in each direction.

PSA has engaged in the business of operating an intrastate airline in California since 1949. Applicant presently operates under certificates of public convenience and necessity granted by the Commission and set forth in appendices to Decision No. 71871 (Application No. 48939), Decision No. 74114 (Application No. 49512) and Decision No. 74248 (Application No. 50083). These certificates authorize PSA to transport passengers between the following points:

- (1) San Diego, Los Angeles, Burbank, San Francisco and Oakland.
- (2) Between Los Angeles, Burbank, and San Jose.
- (3) Between Los Angeles and Sacramento.
- (4) Between Ontario and San Francisco.

The application relates that as of March 31, 1968 PSA had total assets of over \$99,000,000, including eight Boeing 727-100 aircraft, seven Boeing 727-200 aircraft, two DC-9 aircraft, and three Boeing 737 aircraft. The application further states that PSA

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will take delivery of one additional Boeing 737 prior to December 31, 1968 and that during 1969 it will receive nine more Boeing 737's.

Applicant states that it has a valid operating certificate from the Federal Aviation Administration to conduct intrastate common carrier operations on a scheduled basis. The application relates that PSA maintains insurance protection as required by Section 5503 of the Public Utilities Code and General Orders Nos. 120 and 120-A.

PSA's proposed initial schedule between San Diego and Ontario will be two round trips daily. Flights are tentatively scheduled at 7:00 a.m. and 5:00 p.m. northbound from San Diego and at the same times southbound from Ontario. Additional flights will be added as required by traffic conditions.

The proposed one-way jet fares will be:

\$6.67, exclusive of tax, San Diego-Ontario

\$19.85, either direction, San Diego-San Francisco
via Ontario.

The application states that the purpose of the proposed service is to relieve passenger and aircraft congestion at Los Angeles International Airport (LAX) and to permit PSA to serve San Francisco from San Diego on a one-stop basis through the less crowded airport at Ontario. Applicant states that this service will aid both those passengers traveling between San Diego and San Francisco and the operators of aircraft as well as all persons using LAX. Applicant states that the San Diego-Ontario service is not presently being conducted by any air carrier and that it would be a convenience to the air traveling public. Applicant states that the proposed service will not affect any other air carrier in the State.

Notice of PSA's application was published in the Commission's Daily Calendar on December 9, 1968. No protests have been received.

After consideration the Commission finds that:

1. Applicant possesses the necessary equipment, experience, insurance coverage, and financial ability to provide passenger air carrier service as set out in Appendix A.
2. Public convenience and necessity require the granting of the authority sought.
3. A public hearing is not necessary.

Based upon the foregoing findings of fact the Commission concludes that the application of Pacific Southwest Airlines for a certificate of public convenience and necessity between San Diego and Ontario should be granted. For convenience all operating authority which has been granted to PSA by this Commission heretofore will be restated in the Appendix A attached hereto.

Pacific Southwest Airlines is hereby placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Pacific Southwest Airlines, authorizing it to operate as a passenger air carrier as defined in Section 2741 of the Public Utilities Code, between the points and over the routes more particularly set forth in Appendix A, attached hereto and hereby made a part hereof.

2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations. Failure to do so may result in a cancellation of the operating authority granted by this decision.

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with and observe the insurance requirements of the Commission's General Order No. 120-A.
- (b) Within one hundred and twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- (c) The tariff and timetable filings shall be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.
- (d) The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 105-A.

3. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the certificates of public convenience and necessity as set forth in appendices to Decisions Nos. 71871, 74114 and 74248, which certificates shall be revoked effective concurrently with the effective date of the tariff and timetable filings required by ordering paragraph 2 hereof.

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

Dated at San Francisco, California, this 4th
day of FEBRUARY, 1969.

William J. Symons, Jr.
President
Roger A. ...
Richard P. Monahan
Thomas M. ...
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Pacific Southwest Airlines, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport passengers by air over numbered routes in either direction:

Routes

1. Between San Diego and Los Angeles, Burbank, San Francisco and Oakland.
2. Between Los Angeles and San Francisco and Oakland.
3. Between Burbank and San Francisco.
4. Between Los Angeles and San Jose.
5. Between Los Angeles and Sacramento.
6. Between Ontario International Airport and San Francisco International Airport.
7. Between San Jose Municipal Airport and Oakland International Airport, on the one hand, and Hollywood-Burbank Airport, on the other hand.
8. Between San Diego and Ontario.

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RestrictionsRoutes 1 through 5, inclusive

Passengers shall be transported by air in either direction in Lockheed Electra, Boeing 727, Boeing 737, or Douglas DC-9 aircraft.

Route 6

- (1) Passengers shall be transported by air in either direction in non-stop service at a minimum of four scheduled round-trip flights daily.
- (2) No non-stop service may be operated between Ontario International Airport (ONT) and any other points served by Pacific Southwest Airlines under other authorization with the exception of San Diego.

Route 7

- (1) Passengers shall be transported in either direction in Lockheed L-188 (Electra) Aircraft, Douglas DC-9, Boeing 727-100, Boeing 727-200 and Boeing 737 Aircraft with a minimum of four round trips daily.
- (2) This route authorization is limited to the specific segments of Route 7.

Route 8

Passengers shall be transported in either direction in non-stop service at a minimum of two scheduled round-trips daily.

Issued by California Public Utilities Commission.

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