

ORIGINAL

Decision No. 75473

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of AIR CALIFORNIA for a certificate of public convenience and necessity.

) Application No. 48406
) (Filed November 18, 1968)

In the Matter of the Application of AIR CALIFORNIA for a certificate of public convenience and necessity.

) Application No. 49522
) (Filed November 18, 1968)

In the Matter of the Application of AIR CALIFORNIA for a certificate of public convenience and necessity.

) Application No. 50072
) (Filed November 18, 1968)

J. Thomas Talbot, Jr., for applicant.
Richard T. Powers, for Western Air Lines, and
Laurence L. Pillsbury, for Pacific Southwest Airlines, protestants.
Gordon A. Johnson, Counsel, and Robert W. Hannam,
for the Commission staff.

O P I N I O N

Air California requests authority to operate its flights between any pair of points between which it is presently authorized to carry revenue passengers through any other points which it is authorized to serve upon the condition that such authority will not include the tacking together of points not heretofore authorized as origination and destination points.

A public hearing was held before Examiner Daly on February 10, 1969 at San Francisco and the matter was submitted.

Petitioner is presently authorized to operate in either direction between:

Santa Ana - San Francisco
Santa Ana - Oakland via San Jose
Santa Ana - Oakland (nonstop)

Ontario - Oakland via San Jose
Ontario - Oakland (nonstop)

Burbank - Oakland via San Jose
Burbank - Oakland (nonstop)

Santa Ana/Ontario/Burbank - San Jose (Turnabout)

It is alleged that during off-peak hour periods flights do not generate sufficient passenger traffic to justify service unless passengers to two destinations can be combined; under its present authority petitioner's only multiple destination is from Southern California points to Oakland via San Jose; as a result a disproportionate number of flights originating at Santa Ana, Ontario and Burbank are funneled through the San Jose Airport causing traffic scheduling and gate problems; at the present time petitioner cannot route flights from Oakland to Santa Ana via Burbank or from Oakland to Santa Ana via Ontario; such routing would provide Oakland to Burbank and Oakland to Ontario passengers nonstop service at off-peak hours where they would not otherwise receive service; and the authority requested would permit petitioner to position its fleet in such a manner that it will eliminate certain ferry flights and increase passenger loads.

Petitioner contends that in part the need to have flexibility in aircraft routing comes from a modernization program which it completed in December 1968, wherein it replaced former equipment with the latest type twin engine jet aircraft - six 115-passenger Boeing 737. Petitioner further contends that in some markets the added capacity is put to excellent use; however, in the new and developing markets, 115 seats are not required initially, but growth

will eventually require capacity, and during the developmental period serving two airports to one destination can only result in more effective use of aircraft capacity.

Because of fluctuations of traffic, which are experienced not only seasonally, but on a weekly basis, petitioner introduced examples of nine economically efficient routings which could be conducted Monday through Thursday of each week during the winter and summer periods. If such schedules were inaugurated petitioner believes that it would realize a monthly savings of \$43,000; however, it presented no cost studies to support its estimate.

Exhibit 11 prepared and introduced by the staff is a comparison of existing schedules provided by petitioner Monday through Thursday of each week with schedules that could be provided as proposed by petitioner during the summer and winter periods. Exhibit 11 is as follows:

AIR CALIFORNIA

FLIGHT SCHEDULE ANALYSIS

		12/3/68 Timetable Monday-Thursday			Proposal I (Summer) Mon.-Thurs.			Proposal 2 (Winter) Mon.-Thurs.		
From	To	Non Stop	1 Stop	Total Flights	Non Stop	1 Stop	Total Flights	Non Stop	1 Stop	Total Flights
SFO	SNA	6	0	6	4	3	7	7	0	7
SNA	SFO	7	0	7	7	0	7	6	0	6
ONT	OAK	0	4	4	3	1	4	2	2	4
OAK	ONT	0	4	4	3	1	4	2	2	4
ONT	SJC	4	0	4	0	5	5	3	1	4
SJC	ONT	4	0	4	1	4	5	1	3	4
BUR	OAK	0	4	4	4	0	4	0	4	4
OAK	BUR	1	4	5	4	0	4	0	4	4
BUR	SJC	4	0	4	4	0	4	4	0	4
SJC	BUR	5	0	5	4	0	4	4	0	4
SNA	OAK	0	5	5	0	7	7	2	2	4
OAK	SNA	1	4	5	1	5	6	2	2	4
SNA	SJC	5	0	5	4	0	4	1	3	4
SJC	SNA	4	1	5	4	2	6	4	1	5
Total Flights		41	26	67	43	28	71	38	24	62

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Pacific Southwest Airlines and Western Airlines presented no evidence in support of their position as protestants.

After consideration the Commission finds that the requested authority would not be adverse to the public interest.

For convenience the operating rights of applicant will be consolidated and restated in Appendix A to this decision.

O R D E R

IT IS THEREFORE ORDERED that:

1. A certificate of public convenience and necessity is granted to Air California authorizing it to operate as a passenger air carrier as defined in Section 2741 of the Public Utilities Code as set forth in Appendix A attached hereto and hereby made a part hereof.

2. Upon written acceptance of certificate in Ordering Paragraph 1 by applicant, rights granted to Air California as set forth in Decisions Nos. 71310, 73172 and 74248 in Applications Nos. 48406, 49522 and 50072 are cancelled.

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

Dated at San Francisco, California, this 25th day of MARCH, 1969.

William J. Lyons, Jr.
President
[Signature]
[Signature]
[Signature]
[Signature]
Commissioners

Commissioner Fred P. Morrissey, being necessarily absent, did not participate in the disposition of this proceeding.

The authority stated herein to Air California supersedes all previously granted certificates of public convenience and necessity granted in Decisions Nos. 71310, 73172 and 74248, as modified by Decisions Nos. 73916 and 74672.

Air California, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate with Lockheed L-188 aircraft or Douglas DC-9 aircraft or Boeing 737 aircraft over the routes described as follows:

Route 1

Between Orange County Airport, on the one hand, and San Jose Municipal Airport, Oakland International Airport and San Francisco International Airport, on the other hand, with each of the last three named airports being either a terminal or intermediate point for this route.

Route 2

Between Orange County Airport, Hollywood-Burbank Airport and Ontario International Airport, on the one hand, and San Jose Municipal Airport and Oakland International Airport, on the other hand, with each of the first three named airports and each of the last two airports, respectively, being either a terminal or intermediate point for this route.

Conditions

Minimum number of round-trip schedules daily between points shown shall be:

- | | |
|---|---|
| (a) Orange County Airport and San Francisco International Airport | 5 |
| (b) Orange County Airport and San Jose Municipal Airport .. | 3 |

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- (c) Orange County Airport and Oakland International Airport 4
- (d) Between Hollywood-Burbank Airport and Ontario International Airport, on the one hand, and San Jose Municipal Airport and Oakland International Airport, on the other hand 4

Restrictions

No passengers shall be accepted for transportation solely between the following pairs of points:

- (a) Orange County Airport - Ontario International Airport
- (b) Orange County Airport - Hollywood-Burbank Airport
- (c) Hollywood-Burbank Airport - Ontario International Airport
- (d) San Francisco International Airport - San Jose Municipal Airport
- (e) San Francisco International Airport - Oakland International Airport
- (f) Oakland International Airport - San Jose Municipal Airport
- (g) San Francisco International Airport - Ontario International Airport
- (h) San Francisco International Airport - Hollywood-Burbank Airport

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