

Decision No. 75997**ORIGINAL**

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

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

Application No. 49522

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

Application No. 50072

O P I N I O N

The certificate of public convenience and necessity granted to Air California, as set forth in Appendix A to Decision No. 75473, dated March 25, 1969, in the above-captioned proceedings, requires that Air California provide a minimum of four round trips daily between Hollywood-Burbank Airport and Ontario Airport, on the one hand, and San Jose Municipal Airport and Oakland International Airport, on the other hand. By Petition for Modification filed July 22, 1969, Air California seeks authority to decrease the required minimum number of flights between Hollywood-Burbank and San Jose and Oakland to two flights daily.

The petition alleges the following facts as justification for the proposed reduction in service: Operations between Hollywood-Burbank and Oakland and San Jose are conducted by Pacific Southwest Airlines, Inc. (PSA), as well as by applicant. PSA and Air California are each required to provide not less than four round trips daily between the foregoing points. At the present time, PSA provides eight

round trips daily and Air California provides four round trips daily, resulting in service totaling 3,912 available seats per day. In June, 1969, the average number of passengers per day was 1,320, resulting in a combined average daily load factor of 43 percent. Air California's break-even load factor is 60 percent.

The petition states that Air California believes that the market for air passenger service between Hollywood-Burbank and Oakland and San Jose will eventually expand to the point where the present flight frequency will result in a break-even load factor. The petition alleges that because of the present excessive number of available seats to passengers flown, Air California is losing money on its current Hollywood-Burbank operations, and requests that it be relieved of the requirement that it provide four round trips daily from and to Hollywood-Burbank until traffic figures indicate that the market has developed sufficiently to justify an increase in the minimum number of flights. Assertedly, such an order will allow Air California the flexibility to provide the number of daily flights required to serve the public in this market.

Copies of the Petition were served upon PSA and upon Western Air Lines, Inc. Also notice of the filing of the Petition appeared on the Commission's Daily Calendar of July 24, 1969. There are no protests.

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 restated in Appendix A to this decision. Lockheed L-188 aircraft will be deleted from said certificate, as such equipment is no longer flown by petitioner. Service from and to Ontario also will be reduced to a minimum of two flights per day, as Ontario and Hollywood-Burbank are paired points in petitioner's present certificate.

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 the certificate in Ordering Paragraph 1 by applicant, rights granted to Air California as set forth in Decision No. 75473 in Applications Nos. 48406, 49522 and 50072 are cancelled.

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

Dated at San Francisco, California, this 5th
day of AUGUST, 1969.

William Synovick
President

Regulator
George P. Morrissey

[Signature]

[Signature]
Commissioners

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 Decision Nos. 73916, 74672 and 75473.

Air California, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate with 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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Decision No. 75997, Applications Nos. 48406, 49522 and 50072.

- (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 2

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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Decision No. 75997, Applications Nos. 48406, 49522 and 50072.