

Decision No. 76352

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of GOLDEN WEST AIRLINES,)
 INC. for order authorizing increase)
 of certain local intrastate passenger)
 fares, and other tariff regulations,)
 as noted. (Amended Title))

Application No. 51119
 (Filed May 28, 1969;
 Amended August 25, 1969)

O P I N I O N

Golden West Airlines, Inc. seeks authority to increase passenger fares for transportation between some of its points of service within California, including Catalina Island. The amendment to the application supersedes and replaces the original application filed by the predecessor Catalina Air Lines. Since the filing of the original application, Catalina Air Lines, Inc. was consolidated with Aero Commuter and Cable Flying Service and continued operations as Golden West Airlines, Inc. The latter also includes operations of the former Golden West Airlines and Skymark Airlines.

The amended application states that the fares proposed therein represent only an interim and emergency measure directed primarily to assisting in the near-term financial requirements of the company. According to applicant, the lack of operating data, the use of new aircraft and the initiation of the new consolidated air service combine to hinder efforts to develop a permanent fare structure. It intends to make application in the future, when appropriate, for a fare structure based on accurate operating history and providing for a reasonable profit.

The proposed fares represent a projected increase in revenues of about 15 percent. Even with such increase in revenue the operation will be conducted at a loss. Exhibits attached to

the application show that applicant's financial position is weak. Its ability to withstand continued losses of large magnitude is questionable.

No protests to the granting of this application have been received.

The increases that will result from the establishment of the proposed fares are justified. We do not make any finding regarding the reasonableness of any of the proposed fares and none is necessary herein. Applicant should be authorized to establish the proposed fares. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Golden West Airlines, Inc. is authorized to establish the increased fares proposed in Amended Application No. 51119, filed August 25, 1969. 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.

2. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

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

Dated at San Francisco, California, this 28th day of OCTOBER, 1969.

William J. ...
President
August ...
William J. ...
...
...
Commissioners