

ORIGINAL

Decision No. 76456

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SWIFT AIRE LINES, INC., a corpora-)
 tion, for authorization to operate)
 as a passenger air carrier and)
 freight air carrier, between San)
 Luis Obispo and Fresno, via Paso)
 Robles.)

Application No. 51415
 (Filed October 10, 1969)

O P I N I O N

Swift Aire Lines, Inc., a California corporation (hereinafter referred to as applicant), seeks a certificate of public convenience and necessity as a passenger air carrier to operate between San Luis Obispo and Fresno.

Applicant presently operates scheduled air service twice daily between San Luis Obispo and Sacramento with a flag stop privilege to substitute Paso Robles County Airport for San Luis Obispo. This present service is authorized by a certificate granted in Decisions Nos. 75372 and 75839 in Application No. 50642 which also authorized service between San Luis Obispo and San Jose and San Francisco Airports.

Initially, applicant proposes to serve by adding Fresno on a "flag stop" basis to its present Sacramento schedules, changing to a regularly scheduled stop when warranted by traffic levels. Applicant alleges that it now receives numerous requests for service between San Luis Obispo and Fresno and that no scheduled air service is presently offered between those points. It further alleges that the only alternate common carrier service is a bus service which requires more than four hours. Applicant claims that the new

service can be rendered economically by modifying its present Sacramento runs and that the extra stop would not add unreasonable delay or expense to the present operations.

Applicant has voluntarily accepted a limitation prohibiting it from accepting passengers between Fresno and Sacramento.

The proposed one-way fare for the new operation is \$20.00. Applicant alleges that the new service will be operated to the same standards observed for its present operations, and with the same type of aircraft.

Applicant's Balance Sheet as of August 31, 1969 is attached to the application. Applicant alleges that during September 1969 income approximately equalled expenses, and that the air operation is expected to be profitable after October 1969.

Copies of the application were furnished to Golden Pacific Airlines, United Airlines and Air West, and to the Cities and the Counties of Fresno and San Luis Obispo. The matter was noticed on the Commission's Daily Calendar of October 11, 1969. No protests have been received, and it appears that a public hearing is not necessary.

Findings

1. Applicant possesses the business experience in the field of air operations, the financial stability and requisite insurance coverage to receive a certificate of public convenience and necessity as a passenger air carrier.

2. There is a presently existing public need for the service proposed by applicant.

3. Applicant is economically capable of giving adequate service to the communities involved, flying the type of aircraft involved under the proposed schedule, and fare structure.

Conclusion

Based on the above stated findings the Commission concludes that the application should be granted.

Swift Aire Lines, Inc., 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. The certificate of public convenience and necessity granted by Decisions Nos. 75372 and 75839 in Application No. 50642 is hereby amended as stated in Appendix A hereto to incorporate addition of Fresno as a stop on applicant's service between San Luis Obispo and Sacramento, and not on any other routes heretofore granted.

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 requirements of the Commission's General Orders Nos. 120-B and 129.

- (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.

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

Dated at San Francisco, California, this 18th
day of NOVEMBER, 1969.

William Synovius, Jr.
President
August
[Signature]
Vernon L. Sturgeon
Commissioners

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

Appendix A
(Dec. 75372)

SWIFT AIRE LINES, INC.

Second Revised Page 1
Cancels
First Revised Page 1

Swift Aire Lines, Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport passengers by air in either direction with a minimum of two scheduled round trip flights Monday through Friday between:

Route 1 - San Luis Obispo-San Francisco-Sacramento
(with "flag stop" at Paso Robles and San Jose)

Route 2 - San Luis Obispo-Los Angeles International

*Route 3 - San Luis Obispo-Sacramento (with "flag stop"
at Paso Robles and Fresno)

Restrictions

1. The authority granted herein is limited to service over the specific routes described above, and direct service between a point on one route (other than San Luis Obispo) and a point on any other route shall not be provided.

2. No passenger shall be carried whose transportation is solely between each of the following pairs of points:

- (1) San Francisco and San Jose
- (2) Sacramento and San Jose
- (3) San Francisco and Sacramento
- *(4) Sacramento and Fresno

Issued by California Public Utilities Commission.

*Modified by Decision No. 76456, Application No. 51415.