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Decision No. <u>76535</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CAL AERO AIRWAYS for Certificate of Public Convenience and Necessity to operate as a passenger air carrier.

Application No. 51217 (Filed June 30, 1969)

Dewar and Davis, by <u>J. Michael Hughes</u>, for applicant. <u>Robert L. Thatcher</u>, for California Sierra, protestant. <u>Philip F. Bettencourt</u>, for the City of Newport Beach, intervenor. <u>B. A. Peeters</u>, Counsel, for the Commission staff.

<u>O P I N I O N</u>

By the above application, as amended on November 20 and 26, 1969, Cal Aero Airways, a California corporation, seeks a certificate of public convenience and necessity, if one is required, to operate as a passenger air carrier between Orange County, Los Angeles International and Van Nuys Airports, on the one hand, and Mammoth Lakes and Bishop Airports, on the other hand. The authority is sought under the grandfather provisions of Section 2754.1 of the Public Utilities Code which provides that a certificate shall be issued to any passenger air carrier as to airports in this state between which it was actually operating in good faith and doing business as of April 1, 1969, and continuously thereafter provided application therefore was filed on or before July 1, 1969. The authority is also sought under the general provisions of Section 2754 of the Code as to any of the aforementioned airports which the

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Commission should find applicant is not entitled to serve under said grandfather regulations. The application, as amended, points out that applicant is operating scheduled flights between Los Angeles International, Van Nuys, Mammoth Lakes and Bishop Airports, on the one hand, and Reno, Nevada, on the other hand, and requests the Commission to determine that it is an interstate carrier and not subject to its jurisdiction.

Protests were filed by the City of Long Beach and California Sierra. A petition to intervene and become a party was filed by the City of Newport Beach.

A prehearing conference was held before Examiner Mooney in Los Angeles on November 14, 1969. Public hearing was held before Examiner DeWolf in Los Angeles on December 2, 1969. On December 1, 1969, applicant filed a request for withdrawal of the application and renewed this request at the hearing. No evidence was taken at the hearing.

In accordance with applicant's request, the application, as amended, will be dismissed. However, Cal Aero Airways is placed on notice that it may not perform any Colifornia intrastate passenger air carrier service subject to the jurisdiction of this Commission without having first complied with all applicable provisions of the Passenger Air Carriers' Act (Secs. 2740, et seq., Pub. Util Code) and that it may not perform any service whatsoever as a commercial air operator in California without first having complied with the insurance requirements in the Commercial Air Carriers' Act (Secs. 5500, et seq., Pub. Util. Code).

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IT IS ORDERED that Application No. 51217, as amended, is dismissed.

The effective date of this order shall be twenty days

Dated at <u>San Francisco</u>, California, this <u>145</u> day of <u>DECEMBED</u>, 1969.

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Commissioner William Symons. Jr., being necessorily phoent. did not participate in the disposition of this proceeding.