

Decision No. 77476

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC SOUTHWEST
 AIRLINES for authorization to make
 effective on an experimental basis,
 an 8% discount rate on purchase of
 a book of 10 tickets. The dis-
 count to apply to existing passen-
 ger air carrier routes between San
 Diego-Los Angeles, Los Angeles-
 San Francisco, and Sacramento-San
 Francisco.

Application No. 51801
 Petition for Modification
 (Filed June 16, 1970)

O P I N I O N

Decision No. 77159, dated April 28, 1970, in this proceeding authorized Pacific Southwest Airlines (PSA) to file, on five days' notice, an experimental tariff setting forth reduced air passenger fares based on an eight percent discount from regular fares for the purchase of ten tickets at one time. PSA proposed to begin this discount fare between the segments of (1) San Diego-Los Angeles, (2) Los Angeles-San Francisco, and (3) Sacramento-San Francisco. PSA intended to make the proposed experimental tariff effective in the period between April 30 and May 15, 1970, with an ending date of November 1, 1970 for the sale of the discount tickets. As the tickets would be sold as valid for one year, PSA would honor them until expiration date or October 31, 1971, whichever is earlier.

By Petition for Modification of Decision No. 77159, filed June 16, 1970, PSA seeks to extend the time in which the authority must be exercised from June 22, 1970 (as provided in Decision No. 77159) to December 31, 1970, and to add Oakland Airport and Los Angeles International Airport as a pair of points between which the reduced fares will be applicable.

The petition for modification alleges that PSA withheld the printing of the reduced fare ticket books because of the pendency of a change in the Federal Transportation Tax. Said tax will be increased, effective July 1, 1970, from 5 percent to 8 percent. The amount and effective date of this change was not known to PSA until May 21, 1970. Sixty to eighty days are required to print the necessary ticket forms.

PSA further alleges that consideration should be given in this experimental fare reduction to passenger traffic in PSA's route segment between Oakland and Los Angeles (See the dissent of Commissioner J. P. Vukasin, Jr., to Decision No. 77159).

The petition for modification indicates that it was served on June 10, 1970 in accordance with the requirements of Rule 4.3 of General Order No. 105-A. The application was listed on the Commission's Daily Calendars of June 16 and June 17, 1970. There are no protests.

In the circumstances it appears, and the Commission finds, that the proposed extension of time to file tariffs, and the added territorial application of the proposed temporary fares will be reasonable, and that increases occurring upon the expiration of the temporary reduced fares will be justified. The Commission concludes that PSA should be authorized to establish the reduced fare tariff, as proposed, on five days' notice to the Commission and to the public. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Pacific Southwest Airlines, a corporation, is authorized to establish reduced passenger air fares, subject to the conditions, including expiration date, proposed in the application and petition for modification herein.

2. Tariff publications authorized to be made as a result of the order herein may be filed on or after the effective date hereof, and may be made effective on five days' notice to the Commission and to the public.

3. The authority granted herein will expire unless exercised by December 31, 1970.

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

Dated at San Francisco, California, this 7th
day of JULY, 1970.

J. P. McGuire
Chairman
William J. Gurnea
John J. ...
Commissioners

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding. Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.