

Decision No. 80425**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 VALLEY AIRLINES, INC. for immediate )  
 interim authority to restore air )  
 service between Oakland-Monterey )  
 and Monterey-Santa Barbara, )  
 California, and for a Certificate )  
 of Public Convenience and Necessity. }

Application No. 53382  
 (Filed June 5, 1972)

ORDER TEMPORARILY MODIFYING OPERATING AUTHORITY

Applicant Valley Airlines, Inc. (Valley), a California corporation, seeks revision of Route 5 of its certificate of public convenience and necessity by an ex parte temporary order to operate as a passenger air carrier between Oakland-San Jose-Monterey-Santa Barbara.

Under its present certificate Valley is authorized to operate between Oakland-Santa Barbara with San Jose as an intermediate point. It is presently conducting this service.

By the above-entitled application, Valley requests authority to conduct operations between Oakland and Santa Barbara via the intermediate points of San Jose and Monterey. In its original application, filed on June 5, 1972, Valley requested authority to operate between Oakland and Santa Barbara via San Jose and Monterey with a closed door restriction on the San Jose-Monterey segment because Golden West Airlines is authorized and operating between those two points.

On June 19, 1972, Golden Pacific Airlines (GPA) filed a protest to Valley's application with respect to the movement of origin and destination (O&D) passengers between Oakland-Monterey. GPA's protest is based upon the fact that it holds authority to serve these two points, and that it is preparing aircraft to reinstitute such service after having suspended operations on the route in July, 1971. GPA also asserts that only one carrier should be certificated to operate between Oakland-Monterey.

In response to GPA's protest, Valley filed a petition on July 24, 1972 in which it seeks ex parte authority to operate between Monterey-Santa Barbara. Valley states that it would accept a closed-door restriction for Oakland-Monterey O&D passengers pending the completion of a public hearing as the result of GPA's protest.

Subsequently, Valley filed an amendment to its application on August 10, 1972 requesting that its petition be granted, but that its original proposal for a closed-door restriction on the San Jose-Monterey segment be disregarded in light of Golden West's petition filed in Application No. 51216 on July 27, 1972. This application of Golden West seeks permission to suspend operations between San Jose-Monterey, and provides notice that Golden West will suspend such operations on September 27, 1972 pursuant to Public Utilities Code Section 2769.5.

Valley's application and petitions explain that it is presently overflying Monterey in conducting operations between Oakland-Santa Barbara via San Jose. According to its application, it has received a considerable number of inquiries about serving Monterey. It relates that there presently is no direct air carrier service between Monterey-Santa Barbara (Official Airline Guide, May, 1972); and it states that members of the public who wish to travel between Monterey-Santa Barbara must either fly to Los Angeles, San Francisco or San Jose, or move by much slower surface transportation.

Valley proposes to operate two daily round trip flights at least five days a week, as follows:

<u>Oakland</u>	<u>San Jose</u>	<u>Monterey</u>	<u>Santa Barbara</u>
<u>Southbound</u>			
Lv. 7:00 a.m.	Lv. 7:30 a.m.	Lv. 8:05 a.m.	Ar. 9:15 a.m.
3:00 p.m.	3:30 p.m.	4:10 p.m.	5:15 p.m.
<u>Northbound</u>			
<u>Santa Barbara</u>	<u>Monterey</u>	<u>San Jose</u>	<u>Oakland</u>
Lv. 9:30 a.m.	Lv. 10:45 a.m.	Lv. 11:25 a.m.	Ar. 11:40 a.m.
5:30 p.m.	6:45 p.m.	7:30 p.m.	7:45 p.m.

Valley proposes to charge a one-way fare of \$25.00, including tax, between Monterey and Santa Barbara; and \$10.80 between Monterey and San Jose.

Except for GPA's protest with respect to the Oakland-Monterey segment, there is no opposition to Valley's request. Valley also states that it has been informed by Golden West Airlines that it has no plans to protest Valley's request to carry San Jose-Monterey O&D passengers.

Granting Valley's request for temporary authority is in the public interest since there is no air carrier service operating between the points, and since Valley currently overflies Monterey. Therefore, the Commission agrees that Valley should be granted a temporary certificate of public convenience and necessity to carry passengers between Monterey-Santa Barbara, provided that a closed-door restriction prohibiting the carriage of Oakland-Monterey O&D passengers will be attached to this temporary authority pending the completion of a public hearing with respect to GPA's protest. In this manner the interests of GPA will be protected.

After consideration the Commission finds that:

1. Valley currently overflies Monterey in providing service on its Route 5: Oakland-Santa Barbara via San Jose.
2. There is no air carrier service being provided between Monterey-Santa Barbara at the present time.

3. GPA has filed a protest to Valley's application only with respect to operations between Oakland-Monterey. No financial harm will be caused GPA because it is not presently providing service on its Oakland-Monterey route, and because Valley will be restricted from carrying Oakland-Monterey O&D passengers pending the completion of a public hearing on GPA's protest with respect to this segment.

4. The public interest requires that the temporary modification of Valley's Route 5 authority be made effective immediately.

5. Valley will operate two daily round trip flights between Monterey-Santa Barbara at least five days a week at a one-way fare of \$25.00, including tax; and between San-Jose-Monterey at a one-way fare of \$10.80, including tax.

Based upon the above findings of fact, the Commission concludes that Valley's application should be granted to the extent provided in the order attached herein.

INTERIM ORDER

IT IS ORDERED that:

1. Route 5 set forth in Appendix A, Third Revised Page 1 of Decision No. 79482, dated December 14, 1971 in Application No. 52792, is temporarily modified by adding Monterey Peninsula Airport (MRY) as an intermediate point.

2. In conducting operations on Route 5, Valley Airlines shall operate a minimum of two daily round trip flights at least five days each week, and it will not carry origin and destination passengers between Oakland International Airport and Monterey Peninsula Airport.

3.a. The tariff and timetable filings shall be made effective not later 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.

b. 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.

4. In all other respects Decision No. 79482 remains in full force and effect.

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

Dated at San Francisco, California, this 29th day of AUGUST, 1972.

Vermon L. Sturgeon  
President  
William J. Quinn-Jones  
John H. ...  
...  
Commissioners