

ORIGINAL

Decision No. 80689

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application )  
of NOR-CAL AVIATION, INC., for a )  
certificate of Public Convenience )  
and Necessity to provide passenger )  
air service between Redding, Willows, )  
Sacramento, Travis AFB or Nut Tree )  
Airport and San Francisco. )

Application No. 53378  
(Filed June 7, 1972)

O P I N I O N

Applicant Nor-Cal Aviation, Inc., a California corporation, requests a certificate of public convenience and necessity, pursuant to Sections 2742 through 2765 of the Public Utilities Code, to operate as a passenger air carrier between Redding, Willows, Sacramento, Nut Tree Airport and San Francisco.

Applicant presently holds authority to conduct passenger air carrier service between Redding, Red Bluff, Chico, Oroville, and Sacramento. This authority was granted in Decision No. 80076, dated May 18, 1972, in Application No. S3013.

Applicant proposes to operate one daily round trip five days each week between Redding and San Francisco via Willows, Sacramento, and Nut Tree Airport as intermediate points. This service would complement the flights currently being provided under its present authority. Applicant requests that its certificate provide that it may overfly any of the above-named intermediate points upon one hour's notice to the airport if there is no reservation existing at the point involved. Applicant further proposes to serve the Nut Tree Airport only during daylight hours until that airport is equipped to accommodate night operations. This improvement is expected to be completed in December, 1972.

Applicant proposes to charge the following fares, including tax:

Redding - Willows	\$12.00
Redding - Sacramento	20.00
Redding - Nut Tree	25.00
Willows - Sacramento	12.00
Willows - Nut Tree	17.00
Willows - San Francisco	20.00
Sacramento - Nut Tree	6.00
Nut Tree - San Francisco	9.00

Protests were filed by Golden Pacific Airlines (GPA) and Hughes Air West. A prehearing conference was held in San Francisco before Examiner William N. Foley on September 13, 1972. GPA failed to appear at this conference; therefore, its protest is rejected for lack of prosecution.

Air West objected to applicant's proposal if it included a request for authority to carry Redding-San Francisco, Chico-San Francisco, or Sacramento-San Francisco origin and destination (O & D) passengers. Applicant and Air West agreed to a stipulation that Nor-Cal would accept a restriction in its certificate not to carry O & D passengers between the above-named destinations upon which Air West agreed not to oppose Nor-Cal's application. The Commission staff supports this stipulation. Therefore, a public hearing is not necessary.

Applicant's insurance and financial condition were reviewed in Application No. 53013 and were found adequate.

After consideration the Commission finds that:

1. Applicant possesses the necessary equipment, experience, insurance coverage, and financial ability to provide passenger air carrier service between Redding, Willows, Sacramento, Nut Tree Airport and San Francisco.
2. Public convenience and necessity require the granting of the authority sought.
3. A public hearing is not necessary.

Based upon the foregoing findings of fact the Commission concludes that the application of Nor-Cal Aviation, Inc. for a certificate of public convenience and necessity between Redding, Willows, Sacramento, Nut Tree Airport and San Francisco should be granted. For convenience, all operating authority which has been granted to applicant by this Commission heretofore will be restated in the Appendix A attached hereto.

Nor-Cal Aviation, 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. A certificate of public convenience and necessity is granted to Nor-Cal Aviation, Inc., authorizing it to operate as a passenger air carrier as defined in Section 2741 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendix A, attached hereto and hereby made a part hereof.

2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations. Failure so to do 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 insurance requirements of the Commission's General Orders Nos. 120-Series 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 two days after the effective date of this order on not less than one day's 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.

3. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the certificate of public convenience and necessity as set forth in the appendix to Decision No. 80076, which certificate shall be revoked effective concurrently with the effective date of the tariff and timetable filings required by ordering paragraph 2(b) hereof.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 31<sup>st</sup>  
day of OCTOBER, 1972.

Vermon L. Spurgeon  
President  
William S. Simpson  
Richard J. [illegible]  
[illegible]  
[illegible]  
Commissioners

The authority granted herein to Nor-Cal Aviation, Inc., supersedes all previously granted certificates of public convenience and necessity granted to this carrier.

Nor-Cal Aviation, Inc., by this certificate of public convenience and necessity is authorized to operate as a passenger air carrier over the routes and between the points listed below:

Route 1: Redding-Sacramento Intermediate Points,  
Red Bluff, Chico, and Oroville:

RDD-RBL	RBL-ORO
RDD-CIC	RBL-SMF
RDD-ORO	CIC-ORO
RDD-SMF	CIC-SMF
RBL-CIC	ORO-SMF

Route 2: Redding-San Francisco Intermediate Points,  
Willows, Sacramento, and Nut Tree Airport:

RDD-WIL	WIL-NTR
RDD-SMF	WIL-SFO
RDD-NTR	SMF-NTR
WIL-SMF	NTR-SFO

CONDITIONS

1. Each route shall be served with a minimum of one flight in each direction on each of five days a week. Southbound flights shall not be scheduled to depart Red Bluff within three hours of a scheduled southbound flight of Eureka Aero Industries from Red Bluff. Northbound flights shall not be scheduled to leave Sacramento within three hours of a scheduled northbound flight of Eureka Aero Industries from Sacramento.

2. Carrier shall give at least one hour's prior notification to said carrier's ticketing agency at any airport when said carrier intends to overfly said airport. Carrier shall land at each terminal on its route unless such prior notice has been given.

3. Carrier shall not overfly an airport if a passenger is in the possession of a purchased ticket and a confirmed reservation one hour or longer before the scheduled departure time from that airport on the flight on which the passenger holds a confirmed reservation.

Issued by California Public Utilities Commission.

Decision No. 80689, Application No. 53378.

4. Carrier shall not carry passengers whose origin and destination are between the following airport pairs:

RDD-SFO  
CIC-SFO  
SMF-SFO

5. No aircraft having more than 25 passenger seats shall be operated.

6. The following airports shall be used:

<u>Symbol</u>	<u>Location</u>	<u>Name</u>
RDD	Redding	Redding Municipal
RBL	Red Bluff	Red Bluff Municipal
CIC	Chico	Chico Municipal
ORO	Oroville	Oroville Municipal
SMF	Sacramento	Sacramento Metropolitan
WIL	Willows	Glenn County Airport
NTR	Nut Tree	Nut Tree Airport
SFO	San Francisco	San Francisco International

Issued by California Public Utilities Commission.

Decision No. 80689, Application No. 53378.