

FBC

Decision No. 81338

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Air California for a modification in its certificate of public convenience and necessity in either direction between San Diego, on the one hand, and San Jose/Oakland, on the other hand.) Application No. 52165 (Filed August 27, 1970)

In the Matter of the Application of Pacific Southwest Airlines for a certificate of public convenience and necessity in either direction between San Diego and Sacramento, nonstop; San Diego and Sacramento via San Francisco/San Jose or Oakland; San Diego/Santa Ana/San Francisco/San Jose/Oakland; San Diego/Santa Ana/San Francisco or San Jose or Oakland and Sacramento; Santa Ana/San Francisco/San Jose/Oakland; Santa Ana and Oakland via San Jose; Santa Ana and Sacramento via San Francisco/San Jose or Oakland; Santa Ana and Sacramento, nonstop.) Application No. 51080 (Phase I) (Filed May 16, 1969)

SUPPLEMENTAL ORDER

On February 28, 1973, Air California petitioned the Commission for an indefinite extension of the effective date upon which to institute daily nonstop service between San Diego and San Jose. The effective date to institute this service had been extended to April 15, 1973 by Decision No. 80841, issued on December 12, 1972. Previously by Decision No. 80318 dated July 25, 1972 the Commission granted Air California until December 12, 1972 in which to institute this service.

Air California was originally granted nonstop authority between San Diego and San Jose by Decision No. 76110 dated September 3, 1969. In Decision No. 76885 dated March 3, 1970 inauguration of nonstop service was extended to July 13, 1970. Subsequently, in Decision No. 77360 dated June 16, 1970, the carrier was granted its request to postpone nonstop service until November 1970; this being followed by further requests and delays.

In September 1970, PSA started providing daily nonstop service between San Diego and San Jose. A formal complaint was filed by Air California (Case No. 9160) and by Decision No. 78619 dated April 27, 1971, Pacific Southwest Airlines was ordered to cease and desist this service. PSA ceased such operations in May of 1971. In September 1971, Air California began six-day per week nonstop service, continuing until July 1972 when it ceased providing frequent service. Only Friday and Sunday nonstop service is now being provided.

It is concluded that Air California has had ample time to earnestly exercise the authority it was given three and one-half years ago to provide a needed and convenient nonstop service in the San Jose-San Diego market.

It is also concluded that merger negotiation is not a sufficient reason to delay this service.

IT IS ORDERED that:

1. Air California's petition dated February 28, 1973 to indefinitely delay daily nonstop service between San Diego and San Jose is denied.
2. A public hearing be held to determine if Air Cal's authority to serve between San Diego and San Jose should be revoked or modified.
3. Pending a decision on the matter as a result of the hearing referred to in number 2 above Air Cal is authorized to delay daily nonstop service between San Diego and San Jose.

A. 52165, et al FBC/TLR**

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

Dated at San Francisco, California, this 8th
day of MAY, 1973.

Vernon L. Sturgeon
President
William J. Lyons, Jr.

[Signature]
[Signature]
Commissioners

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