

Decision No. 82450

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of WESTERN AIR LINES, INC., for authority to increase certain intrastate passenger fares and cargo charges.

Application No. 54534
(Filed December 24, 1973;
amended January 9 and 25, 1974)

THIRD INTERIM ORDER

In this application Western Air Lines, Inc. (Western) seeks authority to increase its California intrastate fares to offset increased costs of aviation fuel. Interim Decisions Nos. 82352 and 82389 dated January 15 and January 22, 1974, respectively, authorized Western to increase its fares by a total of 24 cents per passenger (exclusive of security and armed guard charges and transportation tax).

Decision No. 82389, supra, authorized Pacific Southwest Airlines (PSA) to increase its commuter air fares to offset increased costs of aviation fuel by a total of 70 cents per passenger (exclusive of security and armed guard charges and transportation tax) between most city pairs that are also served by Western.

In the second amendment to its application filed January 25, 1974 Western seeks authority to raise its commuter, first class, standby, and military reservation fares by the same amounts per passenger that were authorized to PSA in Decision No. 82389. That decision also authorized Air California, Inc., Golden West Airlines, Inc., and Swift Aire Lines, Inc. to further increase their intrastate air fares.

In the circumstances, we find that Western, as well as the aforementioned airlines, has incurred an unprecedented increase in its aviation fuel costs within the last six months resulting from the worldwide energy crisis and the pricing policies permitted by the Federal Cost of Living Council; that the fuel cost increases are of such magnitude as to impair Western's California operations unless an immediate revenue increase is authorized to offset such fuel cost increases; that PSA is the fare-setting (low-cost) carrier in the principal California intrastate markets served by Western; and that Western should be authorized an additional interim increase in fares not exceeding the amount per passenger granted to PSA pending further action.

IT IS ORDERED that:

1. Western Air Lines, Inc. is authorized to establish the increased air fares set forth in Appendix A to the Second Amendment to Application No. 54534 filed January 25, 1974.
2. Tariff publications authorized to be made as a result of the order herein shall be filed on or after the effective date of this order and may be made effective on five days' notice to the Commission and the public.

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3. The authority granted herein will expire unless exercised within ninety days after the effective date of this order.

The effective date of this order is the date hereof.

Dated at San Diego, California, this 5th day of FEBRUARY, 1974.

Vernon L. Stinson
President
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Commissioners

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