

**ORIGINAL**

Decision No. 84255

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application  
of Golden West Airlines, Inc.  
for a Certificate of Public  
Convenience and Necessity to  
provide air carrier service to  
and from Palmdale/Lancaster.

Application No. 55129  
(Filed August 22, 1974;  
amended September 11, 1974  
and March 3, 1975)

Henry R. Voss, for applicant.  
Marvin Levin, Attorney at Law,  
for Lancaster Chamber of Commerce,  
protestant.  
Captain Brendan Dixon, U.S.A.F.,  
Attorney at Law, for Secretary of  
the Army and Edwards Air Force  
Base; Keith Douglas, Attorney  
at Law, for Los Angeles Department  
of Airports; Glen C. Easterling,  
for Palmdale Chamber of Commerce;  
Hon. Robert C. St. Clair, Mayor of  
Palmdale, for City of Palmdale;  
interested parties.  
Elmer Sjostrom, Attorney at Law, for  
the Commission staff.

O P I N I O N

This is an application by Golden West Airlines, Inc.  
(GWA), for a certificate of public convenience and necessity to  
provide passenger and freight commuter air carrier service to the  
Palmdale/Lancaster area through the joint terminal airport at  
Plant No. 42 at the Palmdale Airport (Palmdale Airport)<sup>1/</sup>.

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<sup>1/</sup> In its original application, GWA requested authority to serve  
either Palmdale Airport or Fox Field at Lancaster.

GWA operates as a certificated passenger air carrier in other areas under the authority granted in Decision No. 77323 dated June 9, 1970. In Decision No. 83949 dated December 30, 1974, GWA was granted interim authority to serve the Antelope Valley, as authority for the then existing air service by Hughes Air West was suspended by the Civil Aeronautics Board on December 3, 1974. Pursuant to this interim authority GWA commenced service to the requested area on January 8, 1975, thus avoiding the possibility of leaving this area without air service. The Lancaster Chamber of Commerce protested the application solely as to the location of the airport to be used by GWA, preferring Fox Field in Lancaster to Palmdale Airport, which GWA requested as its terminal in its second amendment to the application filed March 3, 1975. The Secretary of the Army was granted leave to intervene pursuant to its petition indicating its preference for Fox Field over Palmdale Airport. At the subsequent hearing, counsel for the Secretary of the Army and Edwards Air Force Base indicated that while his clients supported the granting of authority to GWA, they were now assuming a neutral position as to the location of the Antelope Valley air terminal. A public hearing was held, and the matter was submitted on March 4, 1975 before Examiner Phillip E. Blecher in Lancaster.

At the hearing five public witnesses, as well as representatives of all the interested parties, testified to the necessity and convenience of air carrier service to the Antelope Valley. They all supported GWA in its application, as did the Commission staff; the only issue raised was the location of the air terminal in the Antelope Valley - Palmdale Airport or Fox Field in Lancaster. The staff also adopted a neutral position on this question. The evidence on this issue indicated that

the Los Angeles Department of Airports, which operates and manages the Palmdale Airport, has waived all fees that might be required of GWA to use this facility, thus making its use more economically feasible than Fox Field; that Palmdale's terminal facilities are more adequate for passenger and freight air carrier operations; that because Palmdale Airport is a federally certificated service airport, it will be simpler to acquire more and better joint fare agreements with major carriers at Los Angeles International Airport (LAX); that Palmdale Airport is now designated as a weather alternate for wide body jets from LAX; that GWA will obtain additional freight traffic and other economic benefits at Palmdale; that Palmdale Airport is more convenient, just as accessible, and much safer to operate in because of its Instrument Landing System, jet refueling capabilities, a longer and wider runway, better emergency capabilities, less general aviation traffic, and generally better operational facilities. Exhibit 4 is a resolution of the Palmdale City Council supporting GWA and the Palmdale facility. The Lancaster supporters urge the selection of their facility on the grounds that it is more centrally located, is more desirable, GWA's operating expenses would be less than at Palmdale, weather in the Antelope Valley was not an important consideration, and that it would be more convenient to 70 percent of the population of the Antelope Valley area, though other evidence suggests that distance differences between the population centers of the area and the two airports are minimal and unimportant.

GWA also represented that it has the business experience, financial stability, insurance coverage, and necessary equipment to economically provide the services temporarily authorized, which it is now providing in an adequate manner. After a review of all

the evidence, it appears that public convenience and necessity require the granting of the requested authority, with the use of the Palmdale Airport as GWA's air terminal in the Antelope Valley. For safety's sake alone, we must conclude this facility to be more desirable than Fox Field, though economic benefits will also accrue to GWA and the air travelling public.

Since the service of GWA is essentially replacing previously existing air service there appears to be no significant environmental impact by the granting of the requested authority.

Findings

1. Public convenience and necessity require the granting of the requested authority through the Palmdale airport.

2. GWA has the requisite experience, financial stability, and equipment to serve the requested area under the terms previously authorized in Decision No. 83949 dated December 30, 1974.

3. The Palmdale airport is operationally safer, more convenient, and more feasible economically to the applicant and its potential customers than Fox Field at Lancaster, and is therefore a more suitable air terminal facility to serve the area in question.

4. GWA is presently operating the service authorized in Decision No. 83949.

5. We find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment.

Conclusions

We conclude that the authority requested should be granted in accordance with the terms of the following order and Decision No. 83949.

Golden West Airlines, Inc. is 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. 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 Golden West Airlines, Inc., a corporation, authorizing it to operate as a passenger air carrier, as defined in Section 2741 of the Public Utilities Code, between Palmdale and the points and over the routes set forth in the revised pages of Appendix A of Decision No. 77323, attached hereto. Appendix A of Decision No. 77323 is amended by incorporating Eighth Revised Page 2 and Ninth Revised Page 3 in revision of Seventh Revised Page 2 and Eighth Revised Page 3, attached hereto and made a part hereof.

2. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure so to do may result in a cancellation of the authority.

- (a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted. By accepting the certificate applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with the requirements of the Commission's General Orders Nos. 120-Series and 129 Series.

- (b) Tariff filings for the authorized service shall be made effective not earlier 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 filings shall be within 30 days of the effective date of this order.
- (c) 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 series and shall not violate the long- and short-haul requirements of Section 461.5 of the Public Utilities Code.

3. Within ten days after the effective date of this order Golden West Airlines, Inc. shall file with the Commission evidence as specified in General Order No. 120-C that it has in effect liability insurance that complies with the general order in connection with operations as a passenger air carrier.

4. Applicant is authorized to obtain joint fare agreements at the earliest possible dates.

The effective date of this order shall be March 30, 1975.

Dated at San Francisco, California, this 25<sup>th</sup> day of MARCH, 1975.

Vernon L. Stevenson  
President  
William J. Lyons  
Donald Ross  
Commissioners

Route 6. Los Angeles - Catalina Island

Intermediate Point: Long Beach

LAX - LGB  
LGB - SXC  
\*LAX - SXC (via LGB)  
LAX - SXC (seasonal, June 1 through September 15)  
LGB - AVX  
LGB - TWH

Route 7. Orange County/Santa Ana - Catalina Island

SNA - SXC (seasonal, June 1 through September 15 each year)

#Route 8. Los Angeles - Inyokern

Intermediate Point: Palmdale

LAX - INY  
LAX - MHV (f)  
INY - MHV (f)  
##LAX - PMD  
##PMD - INY  
##PMD - MHV (Closed door only)

Conditions:

1. Authority granted herein is limited to passenger air carrier operations over the specific routes and between the airport pairs listed thereunder as described above.
2. Operation between an airport on one route and an airport on any other route shall not be provided except through an airport that is common to the two routes.
3. Airport pairs marked with "\*" shall be served only via intermediate point or points shown.
- #4. On each route each airport shall be served with a minimum of one flight in each direction on each of the five days a week except LAX-PMD which will be served with a minimum of two flights in each direction on each of the five days a week.
5. Points designated (f) receive flag stop service only.

Issued by California Public Utilities Commission.

#Revised or ## added by Decision No. 84255, Application No. 55129.

Appendix A  
(Dec. 77373)

GOLDEN WEST AIRLINES, INC.

Ninth Revised Page 3  
Cancels  
Eighth Revised Page 3

Conditions:--Contd.

6. Carrier shall not overfly an airport designated as a flag stop (f) if a passenger is in possession of a purchased ticket and 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.
7. No aircraft having more than 25 revenue passenger seats shall be operated.
8. The following airports shall be used:

<u>Symbol</u>	<u>Location</u>	<u>Name</u>
SBA	Santa Barbara	Santa Barbara Municipal Airport
OXR	Oxnard	Oxnard/Ventura Airport
LAX	Los Angeles	Los Angeles International Airport
EMT	El Monte	El Monte/Pasadena Airport
ONT	Ontario	Ontario International
PSP	Palm Springs	Palm Springs Municipal
RAL	Riverside	Riverside Municipal Airport
LGB	Long Beach	Long Beach International Airport
FUL	Fullerton	Fullerton Municipal Airport
SNA	Santa Ana	Orange County Airport
SXC	Catalina Island	Airport-In-The-Sky, Hilltop
TWH	Catalina Island	Two Harbors (Seaplane Operations)
AVX	Catalina Island	Avalon Bay (Seaplane Operations)
SBT	Colton/San Bernardino	Tri-City Airport
MHV	Mojave	Kern County Airport No. 7
INY	Inyokern	Kern County Airport No. 8
#PMD	Palmdale	U. S. Air Force Plant No. 42

Issued by California Public Utilities Commission

#Added by Decision No. 84255, Application No. 55129.