

ORIGINALDecision No. 84484

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC SOUTHWEST
AIRLINES for authority to amend
its local passenger tariff No. 1
to provide for a promotional fare
reduction and service charge on
lost tickets requiring either a
credit or cash refund.

Application No. 55474

PETITION FOR MODIFICATION OF AUTHORIZATION
OF EXPERIMENTAL PROMOTIONAL FARES

In this application Pacific Southwest Airlines was previously granted authority to institute certain promotional fares on its own system by Interim Decision No. 84139 dated February 20, 1975 and by Final Decision No. 84213 dated March 18, 1975.

The promotional fares consisted of a weekend family plan, tour fares, commuter book tickets and Saturday round-trip excursion fares at discounts of 25 percent to 35 percent.

By this petition, applicant requests authority to extend application of these promotional fares insofar as they relate to the weekend family plan and to the experimental tour fares. Applicant states that pursuant to the Commission's final order it instituted the promotional fares which are the subject of said order, including the weekend family plan and the tour fare. In addition, through the use of valid sampling techniques, it has surveyed and is continuing to survey its passengers by written questionnaires with respect to the matters required by the Commission's order. With respect to the experimental weekend family fare and the tour fare, the results of such surveys have been inconclusive. In the opinion of PSA's management and the persons conducting the survey, the effect of weekend family fares and the tour fares on new traffic, diverted traffic and diluted traffic can most accurately be measured and evaluated with an extension of such fare authorization up to and including July 15,

1975. The basis for the foregoing is that the period of extension will include a portion of the summer months when discretionary traffic has in the past traditionally increased. With the close of school in June, it is possible that weekend family fares and tour fares will attract substantial traffic. Without the requested extension, it would be impossible to ascertain whether or not such additional traffic is the product of diversion, dilution or new PSA passengers.

In connection with the proposed extension, Petitioner proposes to continue to survey passengers in accordance with the Commission's order and to make the results of said survey available to the Commission and United Airlines within thirty (30) days after the expiration of the experimental fares as extended.

Under the circumstances, the Commission concludes that the petition should be granted as requested.

O R D E R

IT IS ORDERED that:

1. Pacific Southwest Airlines is authorized to continue the experimental promotional fares as requested in the petition, such fares to be published to expire on July 15, 1975.
2. Tariff publications authorized to be made as a result of this order may be made effective not earlier than two days after the effective date of this order on not less than two days' notice to the Commission and to the public.
3. The authority granted herein shall expire unless exercised within thirty days after the date hereof.
4. Within thirty days after the expiration of the fares authorized in Ordering Paragraph 1, Pacific Southwest Airlines shall file with the Commission and serve on United Airlines, Inc., a report, developed by the use of valid sampling techniques and questionnaires of passengers using promotional fares, showing the effect of the reduced fares on the following types of traffic:

New Traffic: that traffic which would not have been handled at all but for promotional fares;

Diverted Traffic: that traffic which would have moved at normal fares at times other than when the promotional fares were in effect; and

Diluted traffic: that traffic which would have moved at normal fares at the times when the promotional fares were in effect.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 28th day of MAY, 1975.

President

William J. Lyons, Jr.

Leonard Ross

Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Robert Sotnikovich, being necessarily absent, did not participate in the disposition of this proceeding.