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Decision No. 84590

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
EUREKA AERO INDUSTRIES, INCORPORATED,
for a Certificate of Public Convenience
and Necessity to provide passenger
air carrier service to and from
Crescent City and Arcata.

) Application No. 55359
) (Filed December 4, 1974;
) amended February 10, 1975)

INTERIM OPINION

Applicant has applied to extend its air passenger service to McNamara Field in Crescent City and Arcata Airport. It now serves Eureka, Chico, Red Bluff, Marysville, Sacramento, Oakland, and Santa Rosa. It has also applied for a temporary or interim authority to start service to Crescent City on the date Hughes Airwest (Hughes) is ordered to suspend service by the Civil Aeronautics Board (CAB). On January 15, 1975, Hughes filed an application with the CAB for authority to suspend its service at Crescent City for a period of three years. On May 13, 1975 the CAB, in Order 75-5-45, authorized the suspension for seven years, subject to the condition that Hughes not resume service without explicit CAB approval.

Applicant is a California corporation operating under authority granted by Decision No. 80076 dated May 18, 1972 in Application No. 52991 and Decision No. 83472 dated September 17, 1974 in Application No. 54820. Applicant maintains an air taxi and charter service and has transported mail by aircraft since 1967 under contract. It has 14 aircraft and has the financial ability and experience necessary to operate the requested service. Applicant has indicated it intends to charge the same fares now published by Hughes. Hughes has indicated that it plans to suspend service to Crescent City on July 1, 1975, which would leave Crescent City without air service.

It appears that the cessation of the existing air service to the Crescent City area will impose an undue burden on the community. The enforcement of the provisions of Sections 2752, 2754, and 2754.1 of the Public Utilities Code would be contrary to the public interest.

Findings

1. Hughes has been authorized to suspend service to Crescent City for a period of seven years and cannot resume service without explicit approval of the CAB. Hughes will discontinue service to Crescent City on July 1, 1975.

2. Applicant has sufficient equipment, experience, and financial ability to provide interim service to Crescent City upon the cessation of service by Hughes.

3. The Commission staff has recommended the granting of an exemption under Section 2767.

4. An exemption is necessary because the imminent cessation of existing air service by Hughes imposes an undue burden on the public interest until equivalent service is provided by applicant.

5. The enforcement of the provisions of Sections 2752, 2754, and 2754.1 would be contrary to the public interest under these circumstances.

6. A public hearing on the permanent certificate requested has been set for June 25 and 26, 1975 at Eureka.

Conclusion

We conclude that pursuant to Section 2767 of the Public Utilities Code, applicant should be exempt from the certificate provisions of Sections 2752, 2754, and 2754.1 for a period of 90 days and should be authorized to perform such air service as set forth below in the order.

INTERIM ORDER

IT IS ORDERED that:

1. Eureka Aero Industries, Incorporated, a California corporation, is exempted from the certificate provisions of Sections 2752, 2754, and 2754.1 of the Public Utilities Code with respect to providing air passenger service between Crescent City, Arcata, and Eureka, and Red Bluff, Chico, Marysville, Sacramento, Oakland, and Santa Rosa.

2. Prior to conducting operations pursuant to said exemption, Eureka Aero Industries, Incorporated shall publish and file in the Commission's office tariffs and timetables setting forth the fares and approximate schedules for the exempted service authorized herein. 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.

3. The tariff filings shall be effective immediately upon filing, without notice, and shall conform to the present tariffs of Hughes Airwest.

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4. The exemption pursuant to Section 2767 granted by this order and attached hereto as Appendix A shall expire ninety days after the effective date of this order unless sooner canceled, modified, or extended by order of the Commission.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 24th
day of JUNE, 1975.

Vernon L. Stinson
President

Leonard W. [unclear]

Robert [unclear]
Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

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Appendix A

EUREKA AERO INDUSTRIES,
INCORPORATED

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Eureka Aero Industries, Incorporated, is exempted from the certificate provisions of Sections 2752, 2754, and 2754.1 of the Public Utilities Code in the performance of the passenger air carrier service between the following airports:

CEC - ACV
ACV - EKA
CEC - EKA

Conditions

1. No aircraft having more than 30 revenue passenger seats or a payload more than 7500 pounds shall be operated.
2. Eureka Aero Industries may establish via EKA only through routes and rates, charges and classifications between CEC and ACV and all points served by it under any and all certificates or operative rights issued to or possessed by it.
3. The exemption granted herein shall expire 90 days from the date of the decision noted below, unless sooner canceled, modified or extended.
4. The following airports shall be used:

<u>Symbol</u>	<u>Location</u>	<u>Name</u>
ACV	Arcata	Arcata Airport
CEC	Crescent City	McNamara Field
EKA	Eureka	Murray Field

Issued by California Public Utilities Commission.

Decision No. 84590, Application No. 55359.