

Decision No. 85821

ORIGINAL

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 and to provide service
from Crescent City and Arcata to all
other cities authorized by its existing
Certificates.

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

Applicant was granted a certificate of public convenience and necessity authorizing it to operate as a passenger air carrier between Crescent City and Arcata and other points by Decision No. 84935 dated September 23, 1975 in Application No. 55359. This decision finalized the interim authority granted by Decision No. 84590 dated June 24, 1975.

On April 1, 1976 applicant filed a petition to advise that it has suffered a severe financial loss as passenger patronage between Eureka and Crescent City has steadily declined since service was started in July 1975 with 365 passengers transported in July 1975 and 258 passengers in February 1976; the petition requests that applicant's operating authority be suspended for 12 months while the possibility of obtaining a subsidy from the Federal Government is investigated. It is alleged that Congress favors a plan which requires that airlines operating out of small airports on scheduled service be reimbursed from federal funds, for losses suffered on unprofitable routes.

INTERIM ORDER

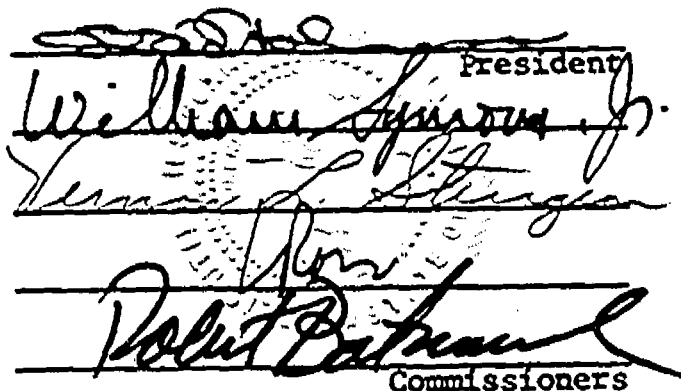
IT IS ORDERED that:

1. The authority to operate as a passenger air carrier between Arcata and Crescent City, first granted to Eureka Aero Industries, Inc. on June 24, 1975, is suspended until further order of the Commission.

2. Tariff publications may be made effective not earlier than one day after the effective date of this order on not less than one day's notice to the Commission and the public.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 17th
day of MAY, 1976.



President
William J. Synovius, Jr.

Vernon L. Livingston

Robert E. Bauman
Commissioners