

Decision No. 85867

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC SOUTHWEST AIRLINES for modification of certificate of public convenience and necessity in either direction between San Francisco/Stockton/Fresno and Los Angeles with through and connecting service to San Diego and Sacramento and to overfly Stockton and Fresno.

Application No. 55845  
(Filed July 31, 1975)

Brownell Merrell, Jr., Attorney at Law, for Pacific Southwest Airlines, applicant.  
Perry H. Taft, Attorney at Law, for City of Stockton, protestant.  
Richard H. Elkington, for Stockton Chamber of Commerce; Wilmer J. Garrett, for City of Fresno; and Michael N. Garrigan, Attorney at Law, for County of San Joaquin; interested parties.  
Ira R. Alderson, for the Commission staff.

# O P I N I O N

Public hearing was held January 7, 1976 before Examiner Thompson at Stockton and the matter was submitted.

Pacific Southwest Airlines (PSA) is a passenger air carrier with extensive operations in California. Two of the many routes it is authorized to serve are:

22. Between San Francisco International Airport and Los Angeles International Airport via Fresno Air Terminal with the right to conduct direct and/or connecting service to San Diego International Airport from the Los Angeles International Airport, and to Sacramento Metropolitan Airport from the San Francisco International Airport.

23. Between San Francisco International Airport and Los Angeles International Airport via Stockton Metropolitan Airport and Fresno Air Terminal with the right to conduct direct and/or connecting service to San Diego International Airport from the Los Angeles International Airport, and to Sacramento Metropolitan Airport from the San Francisco International Airport.

A condition in PSA's certificate of public convenience and necessity is:

"A minimum of two daily round trip flights shall be provided on Routes 22 and 23 between San Francisco and Los Angeles."

By this application PSA seeks modification of its certificate (a) to eliminate the restriction of a minimum of two daily round-trip flights, and (b) to permit it to provide turnaround service between San Francisco International Airport and Stockton Metropolitan Airport and Fresno Air Terminal and between Los Angeles International Airport and Stockton Metropolitan Airport and Fresno Air Terminal. The turnaround authority sought in the application was unopposed by protestant, all interested parties, and the Commission staff. There was opposition toward any modification which would permit PSA to fly less than two daily round trips over the route Los Angeles (LAX) - Fresno (FAT) - Stockton (SCK) - San Francisco (SFO). At the hearing PSA stated that it is not its current intention to reduce service on that route to less than 14 round-trip flights per week; its intention is to provide additional flight service to Stockton and Fresno, such as scheduling flights from LAX to SCK via FAT and then returning via the same route to LAX without going to SFO. A stipulation was entered into by all parties which removed the protests and opposition. It was stipulated that until decision is made after rehearing in Application

No. 52291 regarding minimum schedules, if PSA is granted authority to provide turnaround service it will continue to provide a minimum of 14 round-trip flights per week on the routing LAX - FAT - SCK - SFO.<sup>1/</sup>

The request to eliminate the restriction of two daily round-trip flights is merged in the pending proceedings on rehearing in Application No. 52291. We here consider only the request for turnaround service in accordance with the stipulation.

The evidence shows that there are seasonal and occasional peak demands for passenger air carrier service between San Francisco, Los Angeles, or San Diego, on the one hand, and Stockton or Fresno, on the other hand. The occasional peaks are caused by special events and conventions. PSA also has experienced a greater amount of traffic between Los Angeles and San Diego, on the one hand, and Fresno and Stockton, on the other, than between the latter points and San Francisco. Under its present authority it can accommodate the traffic peaks only by providing additional flights over the entire route of LAX - FAT - SCK - SFO. PSA desires to be able to schedule additional flights between LAX and SCK via FAT and return in order to accommodate summer peak traffic between those points, and to be able to provide special round-trip flights originating at LAX or SFO to FAT and/or SCK to accommodate peak traffic from special events. It asserts that the operation over the entire route LAX - FAT - SCK - SFO is too costly and inefficient in the utilization of aircraft to make the added service for special events and seasonal traffic economically viable.

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<sup>1/</sup> Rehearings in A.52291 regarding minimum schedules were held in February and March 1976. The presiding officer ordered the record in A.55845 herein incorporated into the record on rehearings in A.52291.

If the proposed authority is granted PSA proposes a summer schedule of a morning and an evening flight in each direction over the entire routing LAX - FAT - SCK - SFO, and two midday flights in each direction via the routing LAX - FAT - SCK. Its winter schedule would also provide for the two morning and evening flights over the entire route but with only one midday round trip between LAX and SCK via FAT.

We are persuaded that the proposed turnaround service conditioned as stipulated will promote efficiencies in operations and economies in fuel in providing the additional flights necessitated by variances in traffic between the several points on the route. In Exhibit 3 PSA set forth a suggested amendment to its certificate under which Routes 22 and 23 would be consolidated into one route. Its suggestion is to describe ten subroutes which comprise every mathematical permutation of operations between each pair of points on the route except nonstop between SFO and LAX. The suggested amendment is not consistent with PSA's request under the stipulation nor other evidence. However, the evidence does support a consolidation of Routes 22 and 23 modified to authorize PSA to operate in either direction over the route LAX - FAT - SCK - SFO, with all flights originating and/or terminating at LAX and SFO, and with FAT and/or SCK being served as intermediate points or terminal points on the route, with the right to conduct direct and/or connecting service to San Diego International Airport from LAX, and to Sacramento Metropolitan Field from SFO, provided, however, that a minimum of 14 round trips shall be scheduled and operated each week between LAX and SFO via FAT and SCK. The foregoing will meet the terms of the stipulation regarding minimum schedules to be operated serving the full route, and it authorizes PSA to provide turnaround service at SCK or FAT on flights originating or terminating at LAX or SFO which conforms to the intent expressed by PSA and the showing made by it at the hearing.

Findings

1. PSA is a passenger air carrier with extensive experience in the field of air operations in the transportation of passengers as a common carrier between numerous points in California. It maintains terminal facilities at Los Angeles, Fresno, Stockton, San Francisco, San Diego, and Sacramento, among other places.

2. By certificates of public convenience and necessity PSA is authorized to operate over a number of routes between points in California, among which are Route 22 (SFO - FAT - LAX) and Route 23 (SFO - SCK - FAT - LAX). A condition of that authority is that PSA shall provide a minimum of two daily round-trip flights on Routes 22 and 23 between San Francisco and Los Angeles.

3. By its application PSA requests that the condition of minimum flights on Routes 22 and 23 be eliminated and that it be authorized to provide turnaround service at Fresno and Stockton on the routes with flights originating or terminating at San Francisco or Los Angeles.

4. Proceedings on rehearing in Application No. 52291 are now pending involving the issue of minimum flight schedules for PSA on all of its routes, including Routes 22 and 23. The presiding officer ordered that the record made in Application No. 55845 be incorporated into the record on rehearing in Application No. 52291.

5. At the hearing in the instant proceeding it was stipulated by all parties that decision on the issue of minimum schedules on Routes 22 and 23 be made in the proceedings on rehearing in Application No. 52291, and if PSA is granted authority to provide turnaround service it will continue to provide a minimum of 14 round-trip flights per week between Los Angeles and San Francisco via Fresno and Stockton pending a decision on rehearing in Application No. 52291.

6. PSA proposes to continue to provide service over the route with B-727 and B-737 aircraft. It proposes to provide service during the summer with two round trips daily serving all points on the route and with two round trips between Los Angeles and Stockton via Fresno. During the winter it would eliminate one of the round trips between Los Angeles and Stockton. The schedules may be modified to provide more frequent service on days of peak traffic (anticipated to be on Fridays or Sundays) and to reduce frequency of service on days of lesser patronage (anticipated to be on Saturdays). It also proposes to provide additional turnaround flights to Fresno and/or Stockton from San Francisco or Los Angeles to accommodate increases in patronage between any pairs of those points resulting from special events or from growth of traffic.

7. A comprehensive analysis of PSA's financial position is set forth in Decision No. 85339 dated January 13, 1976 and Decision No. 84544 dated June 17, 1975 in Application No. 55160, of which we take official notice. PSA is financially able to maintain the proposed service. It maintains insurance coverage required by General Order No. 120-C.

8. During the 12 months ended November 30, 1975 PSA's on board load factor on segments of Routes 22 and 23 were:

<u>Segment</u>	<u>On Board Passengers</u>	<u>Available Seats</u>	<u>Segment Load Factor</u>
LAX - FAT	186,377	283,744	65.7%
FAT - SCK	152,519	278,649	54.7%
SCK - SFO	53,234	279,525	19.0%
FAT - SFO	453	4,284	10.6%

9. Proposed operations under the sought authority will continue to provide the needed morning and evening service to all points on the route, and will permit PSA to provide additional service responsive to seasonal and varying demands between individual pairs of points on that route efficiently and economically.

10. Public convenience and necessity require the modifications of Routes 22 and 23 described herein and as more particularly set forth in the order which follows.

Conclusions

1. The authority sought herein to provide turnaround service to Fresno and/or Stockton from Los Angeles or San Francisco on PSA's Routes 22 and 23 should be granted.

2. The issue of authority to eliminate the restriction of a minimum of two daily round-trip flights on Route 22 and 23 is merged in proceedings on rehearing in Application No. 52291 now pending, and therefore the application for that authority herein should be denied without prejudice.

3. Appendix A of Decision No. 79085, as amended, which sets forth the operative rights of PSA provided for in certificates of public convenience and necessity, should be further amended to reflect the authority to be granted.

4. Some of the current pages to Appendix A have not become effective because of stays to the orders in the decisions providing for their incorporation into the appendix. In Decision No. 82382, as modified by Decision No. 82755, in Application No. 52291, PSA was granted temporary relief from the minimum daily flight requirements of its certificates by substituting weekly minimum flight requirements, including the requirement that pending further order in Application No. 52291 PSA shall provide a minimum of 14 scheduled round trips per week between San Francisco and Los Angeles on Routes 22 and 23. The amended pages to be incorporated into Appendix A should reflect PSA's current operative authority, including the temporary relief granted by decisions in Application No. 52291, and should not contain modifications which are not currently effective because of stays to the Commission's decisions ordering them.

5. Because of the withdrawal of protests and opposition following the stipulation, and because the seasonal variation in traffic which will benefit from the proposed additional services is near, the order herein should be made effective this date.

O R D E R

IT IS ORDERED that:

1. In lieu of the authority granted to it in Decision No. 79985 in Application No. 52291 to conduct passenger air carrier operations on its Routes 22 and 23, a certificate of public convenience and necessity is awarded to Pacific Southwest Airlines, a corporation, authorizing it to operate as a passenger air carrier as defined in Section 2741 of the Public Utilities Code, in either direction over the route Los Angeles, Fresno, Stockton, and San Francisco with Los Angeles and/or San Francisco being a terminal point on the route and with Fresno and/or Stockton being served as intermediate points or as terminal points on the route; and with the right to conduct direct or connecting service to San Diego from Los Angeles and to Sacramento from San Francisco.

2. Appendix A of Decision No. 79085, as amended, is further amended by incorporating therein Third Revised Page 2 in revision of Second Revised Page 2 and First Revised Page 2 and Fifth Revised Page 5, in revision of Fourth Revised Page 5 and Third Revised Page 5.

3. 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) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service and file tariffs, in triplicate, in the Commission's office.
- (c) The tariff filings 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 concurrent with the establishment of the authorized service.
- (d) 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.

4. In all other respects Application No. 55845 is denied without prejudice.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 25<sup>th</sup>  
day of MAY, 1976.

William J. Fournier President  
Leonard L. Sturgeon  
Robert B. Fournier Commissioners

Commissioner D. W. Holmes, being  
necessarily absent, did not participate  
in the disposition of this proceeding.

Commissioner Leonard Ross, being  
necessarily absent, did not participate  
in the disposition of this proceeding.

Appendix A  
(Dec. 79085)

PACIFIC SOUTHWEST AIRLINES  
(a corporation)

Third Revised Page 2  
Cancels  
Second Revised Page 2  
And  
First Revised Page 2

Routes (Continued)

- ##15. Nonstop between Hollywood-Burbank Airport and Sacramento Metropolitan Airport.
- 16. Nonstop between San Diego International Airport and Sacramento Metropolitan Airport.
- 17. Between Hollywood-Burbank Airport and Sacramento Metropolitan Airport via intermediate point of Oakland Metropolitan International Airport.
- 18. Nonstop between Oakland Metropolitan International Airport and Sacramento Metropolitan Airport.
- 19. Between San Diego International Airport and Sacramento Metropolitan Airport via intermediate point of Oakland Metropolitan International Airport.
- ##20. Between San Diego International Airport and Sacramento Metropolitan Airport via intermediate point of Hollywood-Burbank Airport.
- 21. Between San Diego International Airport and Sacramento Metropolitan Airport via intermediate points of Hollywood-Burbank Airport and Oakland Metropolitan International Airport.
- #22. Between San Francisco International Airport and Los Angeles International Airport via Stockton Metropolitan Airport and Fresno Air Terminal, with San Francisco International Airport and/or Los Angeles International Airport being a terminal point on the route and with Stockton Metropolitan Airport and/or Fresno Air Terminal being served as intermediate points or as a terminal point on the route; and with the right to conduct direct and/or connecting service to San Diego International Airport from the Los Angeles International Airport, and to Sacramento Metropolitan Airport from the San Francisco International Airport.
- #23. (Deleted).

Issued by California Public Utilities Commission.

#Revised by Decision No. 85867, Application No. 55845.

##Reinstated by Decision No. 85336, Application No. 51085.

Appendix A  
(Dec. 79085)

PACIFIC SOUTHWEST AIRLINES  
(a corporation)

Fifth Revised Page 5  
Cancels  
Fourth Revised Page 5  
And  
Third Revised Page 5

Route 15

1. Service between the points authorized on this route shall not be connected, combined, or operated in combination with any other authorized points or routes.
- ##2. Passengers shall be transported in either direction in nonstop service at a minimum of two scheduled round trips daily.

Route 16

Service between the points authorized on this route shall not be connected, combined, or operated in combination with any other authorized points or routes.

Route 17

Service between the points authorized on this route shall not be connected, combined, or operated in combination with any other authorized points or routes.

Route 18

Service between the points authorized on this route shall not be connected, combined, or operated in combination with any other authorized points or routes.

Route 19

Service between the points authorized on this route shall not be connected, combined, or operated in combination with any other authorized points or routes.

Route 20

Service between the points authorized on this route shall not be connected, combined, or operated in connection with any other authorized points or routes.

Route 21

Service between the points authorized on this route shall not be connected, combined, or operated in combination with any other authorized points or routes.

##Route 22

A minimum of fourteen scheduled round trips per week shall be provided between San Francisco and Los Angeles serving Fresno and Stockton as intermediate points.

Route 23

(Deleted).

Issued by California Public Utilities Commission.

##Revised by Decision No. 85867, Application No. 55845.

##Reinstated by Decision No. 85336, Application No. 51085.