

SMC

Decision No. 85996

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own )  
motion to determine the ability of )  
Valley Airlines, Inc. to provide )  
passenger air carrier service, and )  
to determine whether an unlawful )  
merger has been negotiated between )  
Valley Airlines, Inc. and Ram )  
Airlines. )  
\_\_\_\_\_ )  
\_\_\_\_\_ )

Case No. 9852  
(Filed January 7, 1975)

In the Matter of the Application of )  
VALLEY AIRLINES, INC., d.b.a. )  
PNA-PACIFIC NORTHWEST AIRLINES for )  
an ex parte Order or expedited )  
authority to increase its fares. )  
\_\_\_\_\_ )  
\_\_\_\_\_ )

Application No. 55415  
(Filed December 26, 1974)

ORDER DENYING REHEARING

On May 14, 1976, Pacific Airlines, Inc. (formerly Valley Airlines, Inc.) (Pacific) filed a petition for rehearing of Decision No. 85779 issued May 4, 1976. In accordance with Section 1733 of the Public Utilities Code, the timely filing of Pacific's petition suspended the effectiveness of Decision No. 85779.

In Decision No. 85779, we revoked Pacific's certificate of public convenience and necessity, cancelled its tariffs and schedules governing California service and dismissed its Application No. 55415 seeking rate increase authority for its San Jose - Fresno service. We did so primarily on the basis of our findings that Pacific is no longer able to serve the routes for which it is certificated, and that Pacific has failed to conform to the law and the rules and regulations of the Commission.

In its petition for rehearing, Pacific asserts, among other things, that the Commission erred in predicating Decision No. 85779 upon the staff recommendation to which it agreed, without issuing a

separate, earlier decision confirming this recommendation, that the decision is replete with misstatements and/or omissions leading to erroneous conclusions, and that we improperly entertained a motion by the staff filed on January 12, 1976 requesting that its certificate be revoked.


Having reviewed the record and each and every allegation of Pacific's petition we are not persuaded that good cause exists for the setting aside of Decision No. 85779 and the reopening of C. 9852 for rehearing as requested in Pacific's petition.

This proceeding was commenced for the primary purpose of determining whether Pacific was able to provide adequate and lawful service on its present routes. It is clear from the record that Pacific is unable to provide such service and that it has evidenced a continuing inability to conform to the law and the rules and regulations of this Commission. Neither its arguments regarding the lack of an earlier "expected" decision, nor its explanations of mistaken reliance in place of compliance with the law and the rules and regulations of this Commission persuade us to the contrary.

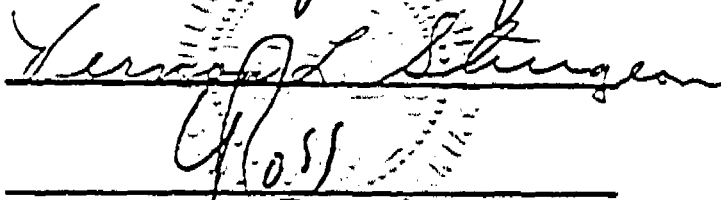
IT IS THEREFORE ORDERED that rehearing of Decision No. 85779 is hereby denied.

The effective date of this order is the date hereof.

Dated at San Francisco, California this 22nd day of JUNE, 1976.

  
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President

  
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William Lyons, Jr.

  
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Kenneth L. Sturgeon

  
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Robert B. Babin  
Commissioners