

GK

Decision No. 86019

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Air California under )  
the Shortened Procedure Tariff Docket) ) (SPT) Application No. 56399  
to make changes described below as ) (Filed April 12, 1976)  
soon as possible on not less than )  
10 days' notice )

O P I N I O N

In this application Air California seeks authorization to change its Intrastate Promotional Tariff No. 2, Cal. P.U.C. No. 7, as outlined in Appendices A, B & C to the application. One of these changes is to clarify applicable markets. The other changes will delete specific fares and publish a new rule, Number 6, whereby promotional standby fares will be calculated at 80% of the applicable adult full fare.

The carrier states that:

"This application is based on the following facts and circumstances:

- "1. The original intent of Air California's promotional standby fare was to discount the fare to 80% of the adult full fare. The fares on file with the Commission were, in fact, discounted at approximately 80% (Exhibit A) (of the fares in effect at the time the tariff was filed). Since the standby fares were filed, Air California has been awarded at least three fare increases. Standby fares have not been increased

and are no longer discounted at 80%. Actually the discount is now 73% using Santa Ana-San Francisco fares as an example.

- "2. With the exception of standby fares, all of Air California's fares (Military, Family, Group, and Students) are published as a percentage of the adult full fares (Exhibits B, C, D). If authority is granted to publish standby fares at 80%, all Air California discounted fares will be consistent in that each fare will be published as a percentage of an adult full fare.
- "3. The requested changes to the Promotional Tariff will involve an increase to the passenger. This increase will align standby fares with the 20% reduction as originally intended.
- "4. This increase will not raise Air California's gross revenues by more than one (1) percent, as required by P.U.C. regulations. (Exhibit E). Standby passengers were taken into consideration both in passenger forecasts and revenue dilution in Air California's recent Application No. 55784, Decision No. 85629.
- "5. It is the carrier's belief that a public hearing is not required. This belief is based on the following:

"a. Public hearings were held for Air California's Application No. 55784 of which standby passengers and fares were included.

"b. The increases will not cause any undue harm to any passenger."

Applicant asserts that increases resulting from the proposal herein would not increase its California intrastate gross revenue by as much as one percent. It is estimated that applicant's intrastate passenger revenue would increase by \$22,607 based on the 1976 forecast for passengers and revenues.

Copies of the application were mailed to American Airlines, Continental Airlines, Delta Air Lines, Golden West Airlines, Inc., Hughes Airwest, Pacific Southwest Airlines, Trans World Airlines, United Airlines, Inc., and Western Airlines, Inc. on or about April 9, 1976. The application was listed on the Commission's Daily Calendar of April 13, 1976. No objection to the granting of the application has been received.

In the circumstances, the Commission finds that any increases resulting from publication of the changes as proposed in the application are justified. A public hearing is not necessary. The Commission concludes that the application should be granted.

O R D E R

IT IS ORDERED that:

1. Air California is authorized to make changes in its

Intrastate Promotional Tariff No. 2, Cal. P.U.C. No. 7, as specifically proposed in the application.

2. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and to the public.
3. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 29th  
day of JUNE, 1976.

William S. Squire President  
Vernon L. Sturgeon  
W. H. ...  
Robert Butler Commissioners

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