

Decision No. 86080

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC SOUTHWEST
AIRLINES for authority to amend
its local passenger tariff No. 1
to provide for a promotional fare
reduction and service charge on
lost tickets requiring either a
credit or cash refund.)

Application No. 55474
(Filed January 31, 1975)
(Petition for Modification
July 14, 1975)
(Petition for Modification
June 15, 1976)

ORDER GRANTING
PETITION FOR MODIFICATION OF AUTHORIZATION
OF EXPERIMENTAL PROMOTIONAL FARES

In this application Pacific Southwest Airlines was previously granted authority to institute certain promotional air passenger fares by Interim Decision 84139 dated February 20, 1975, and by Final Decision 84213 dated March 18, 1975.

The promotional fares consisted of a weekend family plan, tour fares, commuter book tickets and Saturday round-trip excursion fares at discounts of 25 percent to 35 percent.

By previous petition, applicant requested authority to extend application of these promotional fares insofar as they relate to the weekend family plan and to the experimental tour fares through July 15, 1975. This petition was granted by Decision 84484.

By petition filed July 14, 1975, the applicant requested authority to continue the use of the promotional tour fare for an additional year, until July 15, 1976, with certain dates blocked out as outlined in Exhibit A to the application. The applicant stated that it had experienced a markedly favorable reaction to the tour fares from the traveling public and that in the period between March 20, 1975 and June 30, 1975, tourists taking advantage of promotional tour fares increased 68 percent over the comparable period in 1974. Applicant also believed that only a deminimus portion of the increased traffic utilizing the tour fare resulted

from diverted traffic. This extension was granted by Decision 34693.

By this latest petition filed June 15, 1976, applicant seeks a further extension of this experimental promotional tour fare through January 18, 1977, with certain dates blocked out as shown in the attached Exhibit A to the petition.

Among other things, the carrier states that:

"The original purpose of the experimental promotional fares was to attract discretionary travelers and to increase Petitioner's load factors on non-peak flights. During the experimental period, Petitioner experienced a favorable reaction from the traveling public to tour fares. Those persons taking advantage of the tour fare were by definition traveling for a non-business or recreation purpose. In the period between July 15, 1975 and May 31, 1976, over 11,000 tourists took advantage of Petitioner's tour fares. Petitioner believes that even greater interest in the tour fares will be evidenced during the summer months as a result of continued promotion by travel agents, the media and published brochures.

"To avoid passenger confusion and inconvenience, it is requested that the extension of authority be acted upon immediately so as to avoid a possible hiatus in the offering of the tour fares to discretionary travelers."

Should this petition be granted, as requested, it is noted that the carrier will have offered its experimental promotional fares insofar as they relate to tour fares for a period of almost two years. This should be ample time in which to determine if this experimental fare should be incorporated into applicant's regular tariff, or discontinued.

Under the circumstances, the Commission concludes that the petition should be granted as requested, but that prior to the

expiration date the applicant should advise the Commission whether or not it desires to have the promotional tour fare become a part of its regular tariff or allowed to expire January 18, 1977. No further extensions will be granted.

IT IS ORDERED that:

1. Pacific Southwest Airlines is authorized to continue the experimental promotional tour fares, as requested in the petition, such fares to be published to expire on January 18, 1977.

2. Tariff publications authorized to be made as a result of this order may be made effective not earlier than two days after the effective date of this order on not less than two days' notice to the Commission and to the public.

3. The authority granted herein shall expire unless exercised within thirty days after the date hereof.

4. Prior to January 18, 1977, Pacific Southwest Airlines shall advise the Commission whether or not it desires to have the promotional tour fare become a part of its regular tariff or expire January 18, 1977.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 7th day of JULY, 1976.

[Signature] President
William Symons, Jr.
[Signature]
[Signature]
[Signature]
Robert Bateman
Commissioners