

ORIGINAL

Decision No. 87104

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of BOR-AIR FREIGHT)
CO., INC., a New York Corporation,)
for extension of freight for-)
warding service authority under)
its Certificate of Public Conven-)
ience and Necessity, issued by)
California Public Utilities)
Commission, Decision No. 74845)

Application No. 56983
(Filed January 4, 1977)

OPINION AND ORDER

Bor-Air Freight Co., Inc., (Bor-Air) a New York corporation, seeks extension of its freight forwarding service under its certificate of public convenience and necessity authorizing it to operate as a freight forwarder utilizing the lines of air common carriers, highway common carriers and passenger stage corporations in the transportation of property by aircraft between any two of 37 airports in California listed in the application.

Applicant is engaged as an air freight forwarder between various locations throughout the United States and operates under Civil Aeronautics Board authority. Applicant currently operates as a freight forwarder in California between any two of the four airports; namely, Los Angeles International Airport, Lockheed Air Terminal, Inc. (Burbank), San Francisco International Airport and Oakland International Airport.

It proposes to provide pickup and delivery service within 25 statute miles of the airports served in California. No collection or distribution service will be provided to or from any point more than 25 statute miles distant from any airport unless the service beyond is provided by a highway common carrier. In that regard it proposes to charge the shipper the highway common carrier

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rate for the beyond movement in addition to its charges for door-to-door service.

The basic operation contemplated by applicant as a freight forwarder is to consolidate freight for several shippers for movement by air.

Financial statements appended to the application show that applicant has the financial ability to inaugurate and operate the proposed service.

The certificate of service indicates that copies of the application were mailed to various interested parties on December 22, 1976. The application was listed on the Commission's Daily Calendar of January 6, 1977. No objection to the granting of the application has been received.

In the circumstances, the Commission finds that:

1. Applicant has the experience and financial ability required to institute and maintain the proposed service.
2. Public convenience and necessity require the operation by applicant of the proposed service.
3. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
4. A public hearing is not necessary.

The order which follows will provide for revocation of the present certificate held by Bor-Air and the issuance of a new certificate in Appendix form to applicant.

The Commission concludes that the application should be granted.

Bor-Air Freight Co., Inc., is placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid

to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be modified or cancelled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Bor-Air Freight Co., Inc., a corporation, authorizing it to operate as a freight forwarder as defined in Section 220 of the Public Utilities Code as more particularly set forth in Appendix A of this decision.

2. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the certificate of public convenience and necessity granted by Decision 74845, which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3(b).

3. In providing service pursuant to the authority granted by this order, applicant shall comply with and observe the following regulations. Failure to do so 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.
- (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 thirty days after the effective date of this order on not less than thirty 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 117-Series.
- (e) Applicant shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.
- (f) Applicant shall comply with the requirements of the Commission's General Order 84-Series for the transportation of collect on delivery shipments. If applicant elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings required by the General Order.
- (g) Applicant shall comply with the requirements of the Commission's General Order 100-Series and the safety rules administered by the California Highway Patrol if applicant intends to operate a motor vehicle under this authority.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 15th day of March, 1977.

Robert Bateman
President

William S. Gerson Jr.
Vernon L. Sturgeon
Alton
Richard A. Goad
Commissioners

Bor-Air Freight Co., Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate as a freight forwarder, as defined in Section 220 of the Public Utilities Code, via the lines of air common carriers, highway common carriers and passenger stage corporations, subject to the following conditions:

1. Applicant shall not ship or arrange to ship any property unless such property is transported by aircraft between two of the following airports:

Bakersfield (Meadows Field) Airport
Blythe Airbase
Chico Municipal Airport
Crescent City (Mc Namara Field) Airport
Eureka-Arcata Airport
Eureka (Murray Field) Airport

Fresno Air Terminal
Hollywood-Burbank Airport
Inyokern Municipal Airport
Long Beach (Daugherty Field) Airport
Los Angeles International Airport
Marysville Municipal Airport

Merced Municipal Airport
Modesto Municipal Airport
Mojave Airport
Monterey Peninsula Airport
Napa County Airport
Oakland International Airport

Ontario International Airport
Oxnard (Ventura County) Airport
Palmdale International Airport
Palm Springs Municipal Airport
Paso Robles County Airport
Red Bluff Municipal Airport

Redding Municipal Airport
Riverside Municipal Airport
Sacramento Metropolitan Airport
San Diego International-Lindbergh Field
San Francisco International Airport
San Jose Municipal Airport

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Santa Ana-Orange County Airport
Santa Barbara Municipal Airport
Santa Maria Airport
Santa Rosa (Sonoma County) Airport
Stockton Metropolitan Airport
Tahoe Valley Airport
Trona Airport
Visalia Municipal Airport

2. The underlying carrier used by Bor-Air Freight Co., Inc., between airports shall be an air common carrier, except that in emergencies only, such as an airport being closed because of inclement weather, highway common carriers or passenger stage corporations may be used as underlying carriers to provide the transportation.
3. No collection or distribution service shall be provided by Bor-Air Freight Co., Inc., to or from any point more than 25 statute miles distant from any airport served by it unless said service beyond said 25 statute miles is performed by a highway common carrier. As used herein "point" means any point within 25 statute miles of the city limits of any city in which is located an airport, or 25 statute miles of any airport located in an unincorporated area.
4. Bor-Air Freight Co., Inc., shall establish door-to-door rates for service between airports, including points within 25 statute miles thereof as defined in paragraph 3 herein. On traffic moving to or from points beyond said 25-mile radius Bor-Air Freight Co., Inc., shall, in addition to said door-to-door rates, assess the lawful tariff rates of any highway common carrier utilized to perform said beyond service.
5. Bor-Air Freight Co., Inc., shall not forward any shipments containing commodities prohibited by law from transportation by aircraft.

(END OF APPENDIX A)

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