

Decision No. 87441 June 7, 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MARIN AVIATION,)
INC., for authority to increase)
intrastate passenger fares.)

Application No. 57249
(Filed April 22, 1977)

O P I N I O N

Marin Aviation, Inc. (Marin) is a fixed base operator at Gross Field, Novato; that is, it is engaged in the business of air taxi charter, rental of aircraft, maintenance of aircraft and air pilot training at the location. It also operates as a common carrier by air in the transportation of passengers and freight between and over routes along the Pacific Coast from Fort Bragg to Monterey and along the central part of the State from San Francisco to Sacramento and Lake Tahoe.

By this application, Marin seeks authority to increase passenger air fares and revise its freight rate tariff for the transportation of general commodities between certain points, as indicated in Appendix A of this Decision, to offset increased operating costs of its air passenger service.

In support of its application the carrier alleges that the present tariff for which increases are sought was first presented to the Commission in Application No. 54604, initially filed on

January 29, 1974, and approved by Decision No. 84488, dated June 3, 1975.

The applicant states that since it began air commuter service, it has accumulated an operating loss of approximately \$590,000, and it is now operating at a loss of approximately \$46,000 per month. The increases proposed in this application will increase its monthly revenue by an estimated \$5,000 per month. The revision of the freight tariff will allow the carrier to determine freight transportation charges on a per 100 pound rate

basis on segments which at the present time charges are based on a per pound rate basis. The carrier alleges that the proposed revised freight tariff is primarily for making freight rates consistent in all segments and has no significant effect on increasing operating revenues.

FINDINGS AND CONCLUSIONS

Marin seeks authority to increase passenger fares between certain segments of its operation to offset increased operating costs.

The proposed increases in fares are within a range of 10.0 percent to 33.3 percent of the present fares. The applicant also requests authority to revise its freight rate tariff for the transportation of general commodities. The points affected by the proposed passenger fare increase or revision of its freight rate tariff are shown in Appendix A of this Decision.

Applicant's annual freight revenue is estimated to be approximately 2.0 percent of its total annual airline operating revenues, and the requested revision of its freight tariff will not produce a significant increase in annual operating revenues.

The financial data for the one-year period ended December 31, 1976 submitted with the application shows total airline operating revenues of approximately \$572,000, total operating expenses of approximately \$988,000, and, therefore, a net operating loss of approximately \$416,000. The proposed increases will result in an annual revenue increase of \$60,000 or approximately ten percent of the present annual gross airline operating revenue.

Marin has not had a general fare increase since it was by Decision No. 84488, dated June 3, 1975.

No protest has been filed with the Commission regarding this application.

The increases are justified and a public hearing is not necessary.

We conclude that the applicant should be authorized to establish passenger fares shown on page one of Appendix A and revise its freight tariff as shown on page two of Appendix A of this decision.

The effective date of this order should be the date on which it is signed because there is an immediate need for rate relief.

O R D E R

IT IS ORDERED that:

1. Marin Aviation, Inc. is authorized to establish the increased fares and revised freight tariff as shown in Appendix A of this decision. Tariff publications authorized to be made as a result of this order may 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 to the public.

2. The authority shall expire unless exercised within ninety days after the effective date of this order.

3. 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.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 7th
day of JUNE, 1977.

Robert Bateman
President
William Symon, Jr.
Vernon L. Sturgeon
Richard C. Howell

Commissioners

CALIFORNIA AIR COMMUTERPROPOSEDPASSENGER FARES IN U.S. DOLLARS

	NOT	STS	CKE	UKI	FOB	LVR	SJC	SMF	PLV	TVL	TTA	MRY
	*	*	*	*	*							
SFO	17.50	20.00	25.00	27.50	30.00	15.00	15.00	20.00	22.50	27.50	27.50	20.00
NOT	-	17.50	20.00	25.00	27.50	20.00	20.00	22.50	25.00	27.50	27.50	25.00
STS	-	-	20.00	20.00	25.00	20.00	22.50	-	25.00	27.50	27.50	27.50
CKE	-	-	-	15.00	20.00	30.00	30.00	27.50	30.00	35.00	35.00	32.50
UKI	-	-	-	-	20.00	30.00	30.00	30.00	32.50	35.00	35.00	35.00
FOB	-	-	-	-	-	32.50	32.50	32.50	35.00	37.50	37.50	37.50
LVR	-	-	-	-	-	-	15.00	17.50	20.00	25.00	25.00	17.50
SJC	-	-	-	-	-	-	-	20.00	22.50	27.50	27.50	17.50
SMF	-	-	-	-	-	-	-	-	15.00	20.00	20.00	25.00
PLV	-	-	-	-	-	-	-	-	-	15.00	15.00	27.50
TVL	-	-	-	-	-	-	-	-	-	-	15.00	30.00
TTA	-	-	-	-	-	-	-	-	-	-	-	32.50
MRY	-	-	-	-	-	-	-	-	-	-	-	-

PASSENGER FARES DO NOT INCLUDE 8% TRANSPORTATION TAX

* Indicates present fares have been revised.

CALIFORNIA AIR COMMUTERPROPOSEDCARGO RATES

GENERAL COMMODITY

(Dollars per 100 lbs)

	NOT	STS	CKE	UKI	FOB	LVR	SJC	SMF	PLV	TVL	TTA	MRY
	*	*	*	*	*	*						
SFO	8.75	10.00	12.50	13.75	15.00	7.50	7.50	10.00	11.25	13.75	13.75	10.00
		*	*	*	*	*						
NOT	-	8.75	10.00	12.50	13.75	10.00	10.00	11.25	12.50	13.75	13.75	12.50
			*	*	*	*						
STS		-	10.00	10.00	12.50	10.00	11.25	12.50	12.50	13.75	13.75	13.75
				*	*	*						
CKE			-	7.50	10.00	15.00	15.00	13.75	15.00	17.50	17.50	16.25
					*	*						
UKI				-	10.00	15.00	15.00	15.00	16.25	17.50	17.50	17.50
						*						
FOB					-	16.25	16.25	16.25	17.50	18.75	18.75	18.75
							*					
LVR						-	7.50	8.75	10.00	12.50	12.50	8.75
								*				
SJC							-	10.00	11.25	13.75	13.75	8.75
									*			
SMF								-	7.50	10.00	10.00	15.00
										*		
PLV									-	7.50	7.50	13.75
											*	
TVL										-	7.50	15.00
												*
TTA											-	16.25
MRY												-

MINIMUM CHARGE: \$10.00

Packages with a girth exceeding 144"
 Traveling on passenger flights shall
 have an added surcharge of \$25.00.

* Indicates present rates have been revised.

EXPLANATION OF AIRPORT SYMBOLSSYMBOLSAIRPORT

CKE	Clear Lake (Lampson Field)
FOB	Fort Bragg (Mendocino County Airport)
LVR	Livermore Municipal Airport
MRY	Monterey Peninsula
NOT	Novato (Marin County Airport)
PLV	Placerville Airport
SFO	San Francisco International
SJC	San Jose Municipal
SMF	Sacramento Metropolitan
STS	Santa Rosa (Sonoma County)
TTA	Truckee-Tahoe
TVL	Lake Tahoe Airport
UKI	Ukiah