

Decision No. 87701 AUG 9 1977

ORIGINAL

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
 of BORREGO SPRINGS AIRLINE, a )  
 California corporation, for a )  
 Certificate of Public Convenience )  
 and Necessity to operate between )  
 LAX/Palm Springs and between )  
 LAX/Hollywood-Burbank and to tack )  
 LAX/Hollywood-Burbank authority )  
 with Palm Springs/Hollywood- )  
 Burbank. )

Application No. 57277  
 (Filed May 4, 1977)

O P I N I O N

Borrego Springs Airline (dba Sun Aire Lines) is a passenger air carrier which operates between Palm Springs (PSP) and Borrego Springs (OBR), between OBR and San Diego (SAN) and between PSP and Hollywood-Burbank (BUR).

In this application Borrego Springs Airline wishes to fly between Los Angeles International Airport (LAX) and PSP and between LAX and BUR and to tack this new authority to its existing authority between PSP and BUR. The applicant proposes to use its nineteen-passenger, turbo-prop Swearingen Metroliner.

The applicant stated there is a public need for the services and has asked that this application be handled ex parte. The application was mailed to interested parties and appeared on the Commission's Daily Calendar. There are no protests. The airline has insurance on file with the Commission in accordance with General Order 120-C.

The Commission finds that the airline should be given the opportunity to serve the markets proposed under temporary authority in order to develop its patronage and to determine whether there is sufficient demand to justify permanent authority. LAX will be the only airport added to the Borrego Springs system. In view of the small aircraft, it can be seen with certainty that there is no possibility that this proposal may have a significant effect on the environment.

We conclude that the applicant should be given a temporary certificate to operate PSP-LAX and/or LAX-BUR as proposed, until May 1, 1978, which is the date its temporary authority to serve BUR expires.

Borrego Springs Airline 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 canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A temporary certificate of public convenience and necessity is granted to Borrego Springs Airline, a corporation, authorizing it to operate as a passenger air carrier between LAX-PSP and LAX-BUR. Appendix A of Decision 85486 is amended by incorporating Second Revised Page 1, attached hereto, in revision of First Revised Page 1.

2. The temporary certificate granted herein shall expire May 1, 1978.

3. In providing service pursuant to the authority granted by this order, Borrego Springs Airline shall comply with the following service regulations. Failure so to do 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. By

accepting the certificate applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with the requirements of the Commission's General Orders Nos. 120-Series and 129-Series.

- (b) Within thirty 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 ten days after the effective date of this order on not less than ten 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 No. 105-Series.

The air carrier desires to offer this service to the public as soon as possible.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 9th day of AUGUST, 1977.

Robert Bateman  
President

William J. Scurry Jr.

Clare T. D. Smith  
Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

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

Commissioners

Borrego Springs Airline, by this temporary certificate of public convenience and necessity, is authorized to operate as a passenger air carrier between the following airports:

BUR - PSP  
# PSP - LAX  
# BUR - LAX

Conditions

1. No aircraft having more than 30 revenue passenger seats or a payload of more than 7,500 pounds shall be operated.
2. Authority granted herein is temporary and shall expire May 1, 1978.
3. The following airports shall be used:

<u>Symbol</u>	<u>Location</u>	<u>Name</u>
BUR	Burbank	Hollywood-Burbank Airport
PSP	Palm Springs	Palm Springs Municipal Airport
#LAX	Los Angeles	Los Angeles International Airport

Issued by California Public Utilities Commission.

#Added by Decision 87701, Application 57277.