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ORIGINAL

Decision No. 88075 NOV 1 1977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Air California	)	
to increase its intrastate	)	Application No. 56790
passenger fares.	)	

Application of Air California	)	
under the Shortened Procedure	)	
Tariff Docket to make increases	)	Application No. 56961
described below as soon as	)	
possible on not less than five	)	
(5) days' notice.	)	

ORDER GRANTING REOPENING

By separate petitions, Air California and Westgate-California Corporation requests rehearing of Decision No. 87938 or reopening of the proceedings in these Applications. The Commission has reviewed the allegations of said petitions and is of the opinion that said proceedings should be reopened, limited to the receipt of evidence on the issue of whether Air California should be allowed, as an expense item for income tax, the amount set forth in its agreement with its parent, Westgate-California Corporation.

IT IS ORDERED that Applications Nos. 56790 and 56961 are hereby reopened.

IT IS FURTHER ORDERED that hearings in said reopened proceedings shall be limited to the issue of whether Air California is entitled to an income tax expense equal to 82% of the amount of federal income tax it would pay if unaffiliated in accordance with its agreement with Westgate-California Corporation.

IT IS FURTHER ORDERED that said hearings shall be held at times to be hereafter set, before such Commissioner and Administrative Law Judge as may hereafter be assigned.

bh A.56790, A.56961

The Executive Director shall serve a copy of this order on each of the parties to these proceedings.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 1st day of NOVEMBER, 1977.

Robert Betman  
President  
William S. Jones, Jr.  
Yvonne A. Stinson  
Charles W. Howell  
Clair T. Debrick  
Commissioners