

ORIGINAL

Decision No. 88449 JAN 31 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Southwest Airlines for a certificate of public convenience and necessity to provide passenger air service between Los Angeles-Monterey and Monterey-San Francisco.

Application No. 54992
(Filed June 20, 1974)
4th amendment filed October 21, 1975

Application of Air California for a certificate of public convenience and necessity to provide passenger air service between Monterey Peninsula Airport, on the one hand, and Orange County/Ontario, Palm Springs, San Diego, Sacramento, and San Francisco on the other hand, with the points other than Monterey being either terminal and/or intermediate points.

Application No. 55011
(Filed July 3, 1974)
(Monterey Phase)

Brownell Merrell, Jr., Attorney at Law, and Lawrence A. Guske, for Pacific Southwest Airlines; Graham and James, by Boris H. Lakusta and David Marchant, Attorneys at Law; and Frederick R. Davis, for Air California; applicants.

J. Michael Roach, Attorney at Law, and Richard A. Fitzgerald, for Hughes Air Corporation, dba Hughes Airwest; protestant. Brobeck, Phleger & Harrison, by Gordon E. Davis, Attorney at Law, for United Air Lines; O. N. Ford, for Monterey Peninsula Airport District; Robert L. Pleines, Attorney at Law, for County of Sacramento; John E. Nolan and J. Kerwin Rooney, Attorneys at Law, for Port of Oakland; Edward L. Colby, for City of Palm Springs; Anthony W. Lobay, for City of Pacific Grove; John Carlson, for City of Seaside; Don Boston, for Monterey Peninsula Chamber of Commerce and Visitor and Convention Bureau; Carl D. Larson, for Citizens Airport Advisory Group; Alton H. Walker, for Transportation Advisory Group; Elwis Benson, for Del Monte Aviation; Scott Sherrill, for Holiday Inn; interested parties. James Quinn, for the Commission staff.

O P I N I O N

These are two of eight applications for certificates of public convenience and necessity filed by Pacific Southwest Airlines (PSA) and by Air California (AirCal) during the months of May, June, and July 1974. On December 16, 1974 all of the applications were consolidated for procedural purposes and prehearing conference. At a prehearing conference held January 3, 1975 the issues in the consolidated applications were separated into four proceedings. This is the last of those four proceedings and covers service to or through Monterey Peninsula Airport (MRJ).

At the prehearing conference the presiding officer granted, with one exception, applicants' motions for declarations that it can be seen with reasonable certainty that the proposed operations would not have any significant effect upon the environment. The motions were denied with respect to the proposed services to Monterey, and applicants were directed to prepare and submit environmental data statements in accordance with Rule 17.1 of the Commission's Rules of Practice and Procedure. The statements were received in December 1975 and in February 1976 and additional data were received in April and May 1976.

The Commission is the lead agency with respect to the proposed projects; accordingly, on June 1, 1976 the Commission staff filed with the State Clearinghouse its Draft Environmental Impact Report (Draft EIR) on the projects.

Public hearings were held before J. E. Thompson, Administrative Law Judge, on August 2, 1976 at Seaside; August 3, 4, 5, and 6, 1976 at Monterey; August 16, September 13, 14, and 15, 1976 at San Francisco; and on October 18, 1976 at Los Angeles. Evidence, statements, and comments regarding environmental effects of the proposed projects were received at the hearings in Seaside and at Monterey. Briefs were received January 7, 1977. On April 29, 1977 Senior Engineer R. H. Brozosky issued and filed his Final Environmental Impact Report (Final EIR). No exceptions have been received and the applications are ready for decision.

Before proceeding to our findings it is desirable to discuss some of the principal issues in which the parties demonstrated substantial interest. The first of these involves the effect upon the environment if one or both of applicants were to be authorized to conduct their proposed operations. The some 250 pages of narrative, tables, and charts that comprise the Draft EIR and the Final EIR collectively cover all aspects of the environment surrounding the airport at Monterey. The conclusion reached in the EIR is that there would be no impact whatever except as to air quality and noise quality and that the changes in those would not be significant. It is the noise element which concerns most of the participants from the Monterey area. We believe it desirable to discuss the elements leading to the conclusion in the EIR regarding noise quality.

The Division of Aeronautics of CalTrans has promulgated Noise Standards for California Airports which sets forth noise measurement methodology and noise level criteria. The conclusion in the EIR is predicated mainly upon analysis utilizing those standards. One of the methods used was to compare the existing Community Noise Equivalent Level (CNEL) with that which would result from the added operations of the proposed services. CNEL is calculated in terms of decibels by prescribed procedures and is expressed in contour lines of equal noise exposure in the areas surrounding the airport. The level of noise "acceptable" to a reasonable person residing in the vicinity of an airport has been designated by the Noise Standards for California Airports as 65 decibels (dB). For residential areas in the vicinity of existing civilian airports, the Noise Standards establish "limitation" levels of 70 dB until December 31, 1985 and 65 dB thereafter. The EIR finds that the existing aircraft operations at Monterey have produced a CNEL above 65 dB for approximately 109 acres of residential area and above 70 dB for 18 acres of residential area. It estimates that the number of dwellings exposed to more than the "acceptable" and "limitation" levels is about 600 and 100 units, respectively. In addition, the U.S. Navy School is exposed to more than 65 dB. The "limitation" level, however, is not legally applicable to Monterey Airport.

Using the prescribed methodology the staff estimated the CNEL with the PSA and AirCal proposed operations individually and in combination. The estimate was an increased level of .4 to 1.0 dB. The EIR states that the net change in cumulative noise levels for the vicinity of the airport resulting from the projects alone or in combination would not be significantly adverse because the increased levels (.4 to 1 dB) are barely detectable by most observers. The EIR also covers other standard and recognized methods of evaluation of noise and its effect. In each case the measured effect is considered imperceptible by those recognized criteria and standards.

Let some person in the vicinity of the take-off of a B-727 or B-737 roaring overhead accuse the persons who had determined the noise to be "insignificant" or "imperceptible" of not having their hearing aids turned on, it should be pointed out that the standards and criteria used reflect the effect or impact of the additional noise which would be produced by the projects.

All of the standards prescribe somewhat complex formulae for determining impact, and they are computed or estimated values. CNEL, for example, provides criteria of magnitude and duration of noise of operations of classes of aircraft during daytime operations (7 a.m. to 7 p.m.). It also provides additives for evening operations (7 p.m. to 10 p.m.) and for night operations (10 p.m. to 7 a.m.), and the relationship of the values for a similar event occurring during the three periods is on the order of 1 : 3 : 10. In essence, CNEL reflects the summation of the values for each operation over an average 24-hour period. The evening and night hour penalties are intuitive values which give effect to the fact that the same volume of noise from one source is more perceptible during evening and night hours because of the lesser degree of ambient noise level.

Oftentimes an attempt to provide a simple definition of the results of complex formulae leads to deception; however, the term "levels of noise annoyance" is as descriptive of the results of those formulae as any other we can provide.

During 1974 there were 96,042 operations (arrivals and departures) at Monterey Airport of which 10,097 were by Hughes and Airwest (Airwest) and United Air Lines (United), 3,833 by military aircraft, and the remainder by air taxis and private planes. The average daily operations consisted of 2.4 4-engine jet aircraft, 14 3-engine jets (B-727s), 16 2-engine jets (B-737s or DC-9s), 10 1-engine 2-engine business jets, 53 2-engine propellers, and 123 1-engine propellers. The operations of the 2- and 3-engine jets are attributed to Airwest and United. Of the total average daily operations, 3.46 were with jet aircraft at night, 2.25 with propeller aircraft at night, 7.77 were evening operations with jets, 16.95 with propeller aircraft in the evening, 28.97 were daytime jet operations, and 156.80 were daytime operations with propeller aircraft. That gives some idea of the mix of operations comprising the level of annoyance.

Additionally, land use is given consideration in the Noise Standards. As previously mentioned CNEL of 65 dB is considered acceptable for residential areas in the vicinity of the airport. Presently, of the 40 average commercial jet operations per day by United and Airwest at Monterey Airport, approximately 13.3 of those operations overfly residential areas. The proposed operations by PSA and AirCal would add not more than 15 operations to the daily average; however, only about 2.5 of those would overfly residential areas. PSA's planned 6 basic daily operations would be conducted during daytime hours. Of AirCal's 6 basic daily operations, all would be during daytime hours, except 2, an arrival at 7:35 p.m. and a departure at 7:50 p.m.

The foregoing supports the conclusion that the operations by PSA and AirCal will not have a significant effect upon the noise quality, meaning, inter alia, that whatever degree of annoyance one now suffers from the noise of planes taking off and landing at Monterey Airport, it will not be increased to any perceptible degree by the additional operations proposed to be conducted by PSA and AirCal.

We have discussed the reasoning underlying the conclusions in the EIR at some length to point out that there are state and federal standards for determining impact of aircraft operations on noise quality. They are the recognized standards and we must be guided thereby. We cannot fail to observe, however, that the refusal to authorize PSA and AirCal authority to conduct passenger air carrier operations at Monterey probably would not prevent an increase in commercial airline operations at Monterey. As will be discussed later, the demand for air transportation to and from Monterey has increased and is increasing. The Commission has no authority whatever to regulate the number of flights operated by United and Airwest, nor the type of aircraft which they operate. Either or both of those airlines may increase flights to or from Monterey as they choose. The record shows that on September 8, 1976 United increased its operations at Monterey.

The proceedings, however, have been helpful towards recognition that there are actions which may be taken by airlines, by airport authorities, and by F.A.A. controllers which may ameliorate in some degree the environmental impacts of operations at the airport. The proceedings have also made clear that the citizens and their elected officials in the Monterey area are very concerned with the noise quality of their environment and that they expect all participants to aircraft operations at the airport to do those things which will diminish any adverse effects of those operations upon the noise quality of the environment. The actions which may diminish the effect of aircraft noise upon the environment are related to the construction of facilities and the promulgation of procedures for take-offs and landings.

The Airport District is already engaged in a program for construction of taxiways and lengthening of runways which will permit greater safety of take-offs to the east and landings from the east. This is important because the land east of the airport is not a residential area. When take-offs are to the west a power cutback procedure described by Air Cal will lessen the impact of noise from aircraft operations. In connection with landings from the west, the

The other principal issues relate to the potential market for passenger air carrier service to and from MRY, and to the division of traffic among United, Airwest, and the two applicants. PSA, AirCal, United, Airwest, and the Commission staff presented estimates in that regard. Their respective forecasts predict different results; but that is not surprising. Estimating future traffic under various circumstances is as idiosyncratic as the assumptions of the forecaster. For several reasons we believe that the potential passenger air traffic to and from MRY is significantly higher than estimated by the Commission staff. Staff forecasts that the total passenger enplanements and deplanements at MRY for 1977 will be approximately the same as actually recorded in 1974 and it assumed that the United and Airwest O & D traffic for MRY will be the same as in 1974 if the applications of PSA and AirCal are not granted. The evidence shows, however, that during the period 1973 to 1976 the number of enplaned and deplaned passengers increased even though during the the same period the number of daily departures and the number of seats offered daily decreased. The staff's forecasts also do not give sufficient consideration to growth in facilities and to promotion of tourism in the Monterey Peninsula. But most of all, none of the forecasters gave sufficient consideration to the sophistication and experience in air travel of the passenger to and from

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[illegible]

the world for pleasure or business.

visitors, use the available air service.

200 and 17%. There are no statistics regarding those alternative mod

which United had over 80 percent. First, it must be recognized that air transportation between MRY and SFO has extremely limited appeal, probably to employees of airlines based at SFO and who reside in Monterey, or perhaps to a Monterey resident who may wish to attend a social gathering in the vicinity of SFO and prefers not to chance a 1-1/2 hour or more drive on the highway. For all practical purposes it may be assumed that the passengers who purchased tickets for transportation between MRY and SFO from United and Airwest traveled to or from SFO by another airline. The major CAB carriers have interline agreements with one another and in many instances maintain joint through fares. Keeping in mind the extensive route structures of United and Airwest, the fact that the local MRY-SFO ticket in many instances represents an extra fare, and that it is much more comfortable and convenient within an air terminal to make connections on-line rather than off-line, there must be some reasons for the passenger to put himself to so much trouble. We cannot pretend to know what all of those reasons are, but United's load factors^{1/} and other evidence indicate that one may be the probability of not obtaining a seat on a flight at a desirable time to or from MRY, and another may be difficult or inconvenient connections.^{2/} The evidence provides a reasonable inference that a portion of the MRY-SFO passengers may have had a short walk across the terminal and bought a ticket from AirCal for Palm Springs or Orange County or a ticket from PSA to LAX, Burbank, or San Diego.

^{1/} During the 18 months ended June 30, 1976 United's average monthly load factors ranged between 55.0 percent and 83.8 percent on the LAX-MRY segment, and between 42.0 percent and 71.4 percent on the MRY-SFO segment. The low figures occurred in December 1975 when United suffered a strike for 16 days.

^{2/} It is interesting to note that United has been expanding its direct through plane service to major points on its lines as well as providing better connections for on-line service, to MRY. The more profitable operation is when the passenger purchases a ticket on-line for the longer lengths of haul. There is not much profit to United in merely transporting passengers between LAX-MRY-SFO.

The staff forecasts that if the applications of PSA and AirCal are granted United and Airwest will have a 23 percent loss of passengers and a 41 percent loss in gross revenues in the Monterey market. Actually those figures only consider tickets sold between California points and that traffic only involves between 50 and 55 percent of the enplanements and deplanements at MRY. We do not agree with that forecast. As previously stated, any forecasting requires the making of a number of assumptions. Assuming these applications are granted and that each carrier exploits its own advantages, the market potential at MRY will provide United and Airwest greater earnings and will permit both AirCal and PSA to operate economically and effectively. We believe that United will continue to be the dominant carrier by having the majority of the enplanements and deplanements at MRY even though it may sell fewer tickets between California points. It has already shown that it has knowledge of the traffic which provides it with the greater earnings. It maintains timely schedules to and from MRY, particularly for on-line traffic beyond SFO and LAX. It has a good reputation at Monterey. The only criticism, other than the level of local fares to LAX, has been that there have been occasions when the flights have been full, necessitating the alternatives of driving to or from SJC and SFO. The entry of PSA and AirCal will provide additional assurance of being able to get to and from MRY by air and thereby make driving to SJC and SFO a less important consideration.

With respect to total operations at MRY of United and Airwest, over the past five years there has been a consistent pattern of United

and Airwest operations at MRY. United has operated a daily service to MRY from SFO and Airwest has operated a weekly service to MRY from SFO. Both carriers have operated a seasonal service to MRY from LAX. The entry of PSA and AirCal will provide additional assurance of being able to get to and from MRY by air and thereby make driving to SJC and SFO a less important consideration.

having 73 percent of the traffic with 56 percent of the landings and of aircraft. It has also maintained the schedules which would be on during prime time for Monterey traffic. Airwest revised its schedules frequently during the past; nevertheless, it too has had high load factors with respect to its operations at MRY. During the twelve months ended June 30, 1976 its median load factor between LAX and MRY was 72 percent and between SFO and MRY was 56 percent. Considering its schedules, the load factor statistics are indicative that there were flights at the more popular times when its aircraft were full. It is also indicative that much of the traffic was on-line or interline to or from points beyond LAX and SFO. Airwest has its advantages of serving places which should provide a good market for Monterey traffic (e.g., Las Vegas and points in Mexico). What we have stated in connection with United's traffic if PSA and AirCal were to be certificated should also be applicable to Airwest. SNA, SFO, SJC, etc.

The contention by some of the parties that the proposed operation by AirCal between MRY and Orange County (SNA) will divert traffic which moves between MRY and LAX does not appear to have much merit for a number of reasons. Practical air transportation now between MRY and SNA consists of two routings involving combinations of fares: one is via United or Airwest to SFO and thence via AirCal to SNA; the other is via United and Airwest to LAX and then via Golden West Airlines (a commuter airline) to SNA. The combination of fares via the first routing is less expensive and the routing involves service on a large jet aircraft. Other alternatives are flying to LAX and renting an automobile to go to SNA, or to drive to SJC and fly AirCal to SNA. Of the alternatives the latter is much less expensive, including the parking charge at SJC, and involves a much more comfortable drive. The assumption that passengers will pay more for a less comfortable trip does not appear to be a valid one. Actually, the only real direct competition involved in these applications is PSA's proposed operation between MRY and LAX. United's and Airwest's load factors show that there would be sufficient traffic available for PSA's service with little or no diminution of United's

and Airwest's traffic. About the only traffic that United or Airwest may lose would be on-line connecting traffic to San Diego and Sacramento, and connecting interline traffic to Orange County, Palm Springs, and Ontario. That is not very much and would be replaced by on-line and connecting traffic to other points.

Provided that each carrier exploits its own operating advantages, and there is little cause to believe that they will not, it is our opinion that there is sufficient traffic to support the existing services and the proposed services at MRY as well as an expansion of those services in the future.

Findings

1. PSA is a passenger air carrier with extensive experience in the field of air operations as a common carrier of passengers between numerous points in California. It currently provides service to SFO, SJC, OAK (Oakland International Airport), SMF (Sacramento Metropolitan Airport), SCK (Stockton Metropolitan Airport), TVL (Lake Tahoe Airport), FAT (Fresno Air Terminal), LAX, BUR (Hollywood-Burbank Airport), LGB (Long Beach Airport), ONT (Ontario International Airport), and SAN (San Diego International Airport). It conducts operations with B-727 and L-188 aircraft.

2. By its application PSA proposes to provide MRY non-stop, direct and connecting service to SFO, SMF, OAK, SJC, LAX, BUR and SAN. It proposes to initiate service with the following flights (either direction) and frequencies: LAX-MRY with 3 round trips daily except Saturday with 2 round trips; and SFO-MRY with one round trip on Fridays and Sundays for the first 6 months, and for the second 6 months with one round trip Sundays through Fridays. The proposed routes are more specifically set forth in Appendix C. In connection with such service PSA will initially offer connecting service from and to SAN and SMF. It proposes to conduct the proposed operations with B-727 aircraft.

3. PSA has the insurance coverage and the financial stability to initiate and maintain the proposed service.

4. AirCal is a passenger air carrier with extensive experience in the field of air operations in the transportation of passengers both as a common carrier between numerous points in California. It currently provides service to SFO, OAK, SJC, SMF, TVL, ONT, SAN, PSP (Palm Springs Municipal Airport), and SNA (Orange County Airport). It conducts operations with B-737 and L-188 aircraft.

5. By its application AirCal proposes to provide MRY with direct service to SFO, SMF, SNA, ONT, SAN, and PSP. Service to PSP is seasonal and would be scheduled from Christmas to Easter. The first year AirCal proposes an introductory service pattern that allows for one round trip per day in each market except PSP. The proposed routes are more particularly set forth in Appendix C. It proposes to conduct the operation with B-737 aircraft.

6. AirCal has the insurance coverage and the financial stability to initiate and maintain the proposed service.

7. United is a trunkline common carrier by aircraft serving MRY pursuant to certificate of public convenience and necessity issued by the CAB. For many years United's basic daily schedule to and from MRY included 3 flights northbound and 4 flights southbound between MRY and SFO, and 3 flights northbound and 4 flights southbound between MRY and LAX. On September 8, 1976 United expanded its service to and from MRY and its schedules effective that date are shown in Appendix D. United provides service at MRY with B-737 and B-727 aircraft.

8. Airwest is a local service common carrier by aircraft serving MRY pursuant to a certificate issued by the CAB. Its service and its schedules have fluctuated over the years. Its service pattern and basic schedule maintained during the fourth quarter of 1976 are shown in Appendix B. Airwest provides service at MRY with DC-9 aircraft which is a two-engined jet propelled aircraft of about the same size and capacity as the B-737.

9. Demand for passenger air transportation to and from MRY has been increasing. The average monthly on-board load factors of United and Airwest on the segments MRY-SFO and MRY-LAX have been very high and

have been increasing. There is a need for the additional service to and from MRY that would be provided by the operations proposed by applicants.

10. The services proposed by PSA and by AirCal are economically viable and the addition of those proposed services into the passenger air carrier market at MRY will not adversely affect the ability of United and Airwest to continue efficient and economical operations at MRY.

11. The average daily operations by aircraft at MRY during 1974 consisted of night operations by 3.46 jet aircraft and 2.25 propeller aircraft, evening operations by 7.77 jet aircraft and 16.95 propeller aircraft, and daytime operations by 28.97 jet aircraft and 156.80 propeller aircraft. Aircraft operations at MRY have increased since 1974. In 1976, of the approximately 40 average commercial jet operations per day by United and Airwest, only about 13.3 of those operations overflow residential areas. Such reflects the current environmental setting with respect to operations by aircraft at MRY.

12. PSA's proposed service involves six basic daily operations at MRY all of which would be conducted during the daytime. AirCal's proposed service involves six basic daily operations, four of which would be during the daytime and two of which would be during the evening. The proposed operations by PSA and AirCal would add not more than 15 operations to the daily average at MRY of which only about 2.5 would overfly residential areas.

13. The only effects on the environment in the vicinity of MRY that may result from the implementation of the proposed projects alone and in combination relate to air quality and noise quality. In those cases the effects are capable of measurement and were measured but were so small as to be insignificant.

14. No significant environmental effects will occur if either or both of the applicants conduct the passenger air carrier operations proposed.

15. There are mitigation measures which may be taken to improve noise quality in the vicinity of MRY. Those measures involve

construction at the airport and operational procedures at the airport which would apply to all aircraft. The utilization of such procedures involves the safety of operation of aircraft at the airport.

16. The proposed operations by PSA and by AirCal will not result in the wasteful utilization of energy.

17. The alternatives of authorizing the operations of both PSA and AirCal include: authorizing the operations of one but not of the other, and denying the applications of both. The probable environmental effects under either alternative will be the same as if the operations of both PSA and AirCal are authorized.

18. While the proposed operations by these carriers may induce a growth of visitors and transients on the Monterey Peninsula, the proposed air service projects in combination should not be responsible for a significant growth inducing impact on the Monterey region and will not significantly facilitate physical development other than that already planned at the airport.

19. Public convenience and necessity require the operations by PSA and by AirCal to MRY as passenger air carriers over the routes described in the order which follows.

We conclude that the applications of PSA and of AirCal to provide passenger air service to MRY should be granted to the extent provided in the ensuing order.

We take notice of Decision No. 88133 dated November 22, 1977 in Applications Nos. 52291 and 53441 regarding the minimum schedules to be established by PSA and AirCal over their certificated routes. That decision requires the staff and the airlines to meet and confer in developing a proposal concerning minimum schedules. Pending such proposal we feel it unnecessary to impose minimum schedules in this decision.

PSA and AirCal are 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. The Notice of Determination for the projects is attached as Appendix E to this decision, and the Commission certifies that the Final EIR has been completed in compliance with CEQA and the Guidelines, and that it has reviewed and considered the information contained in the EIR.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Pacific Southwest Airlines, a corporation, authorizing it to operate as a passenger air carrier, as defined in Section 2741 of the Public Utilities Code, by extending its air passenger service to Monterey Peninsula Airport subject to the conditions and limitations hereinafter set forth.

2. Appendix A of Decision No. 79085, as amended, is further amended by incorporating therein the revised pages included in Appendix A.

3. A certificate of public convenience and necessity is granted to Air California, a corporation, authorizing it to operate as a passenger air carrier, as defined in Section 2741 of the Public Utilities Code, by extending its air passenger service to Monterey Peninsula Airport subject to the conditions and limitations hereafter set forth.

4. Appendix A of Decision No. 80439, as amended, is further amended by incorporating therein the revised pages included in Appendix B.

5. In providing service pursuant to the authority granted by this order, each applicant 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 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 five days after the effective date of this order on not less than five 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.

6. The Executive Director of the Commission shall file a Notice of Determination for the project, with contents as set forth in Appendix E to this decision, with the Secretary for Resources.

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

Dated at San Diego, California, this 31st
day of JANUARY, 1978.

Robert B. Leland
President
William L. Symons Jr.

Robert W. Loomis
Clare T. Dechert
Commissioners

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

Appendix A
(Dec. 79085)PACIFIC SOUTHWEST AIRLINES
(a corporation)Third Revised Page 1
Cancels
Second Revised Page 1

Pacific Southwest Airlines, by this certificate of public convenience and necessity, is authorized to operate as a passenger air carrier over the routes listed below:

Routes

1. Between San Diego and Los Angeles, Burbank, San Francisco and Oakland.
2. Between Los Angeles and San Francisco and Oakland.
3. Between Burbank and San Francisco.
4. Between Los Angeles and San Jose.
5. Between Los Angeles and Sacramento.
6. Between Ontario International Airport and San Francisco International Airport.
7. Between San Jose Municipal Airport, Oakland International Airport, and Hollywood-Burbank Airport.
8. Between San Diego and Ontario.
9. Between San Francisco International Airport and Sacramento Metropolitan Airport.
10. Nonstop between Long Beach Airport and San Diego International Airport.
11. Between Long Beach Airport, San Jose Municipal Airport, and Oakland International Airport; nonstop between Long Beach Airport and San Jose Municipal Airport; and nonstop between Long Beach Airport and Oakland International Airport.
12. Nonstop between Long Beach Airport and San Francisco International Airport.
13. Between Long Beach Airport and Sacramento Metropolitan Airport via intermediate point of San Francisco International Airport.
14. Between San Jose Municipal Airport and San Diego International Airport via intermediate point of Hollywood-Burbank Airport.
- #15. Nonstop between Hollywood-Burbank Airport and Sacramento Metropolitan Airport.
- #16. Nonstop between San Diego International Airport and Sacramento Metropolitan Airport.
- #17. Between Hollywood-Burbank Airport and Sacramento Metropolitan Airport via intermediate point of Oakland Metropolitan International Airport.
- #18. Nonstop between Oakland Metropolitan International Airport and Sacramento Metropolitan Airport.

Issued by California Public Utilities Commission.

#Transferred from Page 2 by Decision No. 88449, Application No. 54992.

Routes (Continued)

19. Between San Diego International Airport and Sacramento Metropolitan Airport via intermediate point of Oakland Metropolitan International Airport.
20. Between San Diego International Airport and Sacramento Metropolitan Airport via intermediate point of Hollywood-Burbank Airport.
21. Between San Diego International Airport and Sacramento Metropolitan Airport via intermediate points of Hollywood-Burbank Airport and Oakland Metropolitan International Airport.
22. Between San Francisco International Airport and Los Angeles International Airport via Stockton Metropolitan Airport and Fresno Air Terminal, with San Francisco International Airport and/or Los Angeles International Airport being a terminal point on the route and with Stockton Metropolitan Airport and/or Fresno Air Terminal being served as intermediate points or as a terminal point on the route; and with the right to conduct direct and/or connecting service to San Diego International Airport from the Los Angeles International Airport, and to Sacramento Metropolitan Airport from the San Francisco International Airport.
23. Between San Francisco International Airport and San Diego International Airport via Stockton Metropolitan Airport and Fresno Air Terminal, with San Francisco International Airport and/or San Diego International Airport being a terminal point on the route and with Stockton Metropolitan Airport and/or Fresno Air Terminal being served as intermediate points or as a terminal point on the route.
24. Between Lake Tahoe Airport, on the one hand, and Sacramento Metropolitan Airport, San Francisco International Airport, Hollywood-Burbank Airport, Los Angeles International Airport and San Diego International Airport, on the other hand, with each of the last five named airports being either a terminal or intermediate point for this route.
- #25. Between San Francisco International Airport and Los Angeles International Airport via Monterey Peninsula Airport, with San Francisco International Airport and/or Los Angeles International Airport being a terminal point on the route and with Monterey Peninsula Airport being served as an intermediate point or as a terminal point on the route.

Issued by California Public Utilities Commission.

#Added by Decision No. 88449, Application No. 54992.

Appendix A
(Dec. 80439)

AIR CALIFORNIA
(a corporation)

Fifth Revised Page 3
Cancels
Fourth Revised Page 3

Route 13

Between Ontario International Airport and Sacramento Metropolitan Airport via the intermediate point of Orange County Airport.

Route 14

Between San Diego International Airport and Orange County Airport.

Route 15

Nonstop service between San Diego International Airport and Oakland International Airport.

Route 16

Between Lake Tahoe Airport, on the one hand, and Sacramento Metropolitan Airport, San Francisco International Airport, Oakland International Airport, San Jose Municipal Airport, and Orange County Airport, on the other hand, with each of the last five named airports being either a terminal or intermediate point for this route with the exception that no nonstop flights shall be operated between Sacramento Metropolitan Airport and San Francisco International Airport. Operations at Lake Tahoe Airport shall be conducted with Lockheed L-188 Electra aircraft only.

Route 17

Between San Francisco International Airport and Oakland International Airport.

Route 18

Between Monterey Peninsula Airport, on the one hand, and San Francisco International Airport, Sacramento Municipal Airport, Orange County Airport, Ontario International Airport and San Diego International Airport, with each of the last five named airports being either a terminal or intermediate point for this route with the exception that no nonstop flights shall be operated between Sacramento Metropolitan Airport and San Francisco International Airport.

APPENDIX C
Page 1 of 3

Pacific Southwest Airlines

Proposed Routes

First Six Months

<u>Lv LAX</u>	<u>Ar MRY</u>	<u>Lv MRY</u>	<u>Ar LAX</u>	<u>Lv SFO</u>	<u>Ar MRY</u>	<u>Lv MRY</u>	<u>Ar SFO</u>	<u>Frequency</u>
8:00A	8:50A	10:00A	10:50A					Ex Sat.
				11:15A	11:40A	12:30P	12:55P	Fri. and Sun.
12:00N	12:50P	2:00P	2:50P					Daily
5:30P	6:20P	6:50P	7:40P					Daily

Second Six Months

8:00A	8:50A	10:00A	10:50A					Ex Sat.
				11:15A	11:40A	12:30P	12:55P	Ex Sat.
12:00N	12:50P	2:00P	2:50P					Daily
5:30P	6:20P	6:50P	7:40P					Daily

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Air CaliforniaProposed RoutesFirst Year of Operation

<u>Northbound</u>	<u>Daily</u>	<u>Daily</u>	<u>Fri. & Sun.</u>
San Diego (Lv)	10:20 A		3:00 P
Palm Springs (Lv)			
Ontario (Ar)	10:45 A		3:25 P
Ontario (Lv)	11:00 A		3:40 P
Orange County (Lv)		12:30 P	
Monterey (Ar)	11:45 A	1:15 P	<u>4:25 P</u>
Monterey (Lv)	12:00 N	1:30 P	
San Francisco (Ar)		<u>2:00 P</u>	
Sacramento (Ar)	<u>12:35 P</u>		
<u>Southbound</u>	<u>Daily</u>	<u>Daily</u>	<u>Fri. & Sun.</u>
Sacramento (Lv)		7:00 P	
San Francisco (Lv)	10:15 A		
Monterey (Ar)	10:45 A	7:35 P	
Monterey (Lv)	11:00 A	7:50 P	5:00 P
Orange County (Ar)	<u>11:45 A</u>		
Ontario (Ar)		8:35 P	5:45 P
Ontario (Lv)		8:50 P	6:00 P
Palm Springs (Ar)			
San Diego (Ar)		9:15 P	6:25 P

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Air California
Proposed Routes

After First Year of Operation

<u>Northbound</u>		<u>Daily</u> ^{1/}	<u>Daily</u> ^{2/}	<u>Daily</u>	<u>Fri. & Sun.</u>	<u>Fri. & Sun.</u>
San Diego	(Lv)	7:30 A		4:20 P		
Palm Springs	(Lv)		12:50 P			
Ontario	(Ar)			4:45 P		
Ontario	(Lv)			5:00 P	11:15 A	
Orange County	(Ar)		1:15 P			
Orange County	(Lv)		1:30 P			7:15 P
Monterey	(Ar)	8:30 A	2:15 P	5:45 P	12:00 N	8:00 P
Monterey	(Lv)	8:45 A	2:30 P	6:00 P		
San Francisco	(Ar)		<u>3:00 P</u>			
Sacramento	(Ar)	<u>9:20 A</u>		<u>6:35 P</u>		
<u>Southbound</u>		<u>Daily</u> ^{1/}	<u>Daily</u> ^{2/}	<u>Daily</u>	<u>Fri. & Sun.</u>	<u>Fri. & Sun.</u>
Sacramento	(Lv)	9:50 A		7:00 P		
San Francisco	(Lv)		10:15 A			
Monterey	(Ar)	10:25 A	10:45 A	7:35 P		
Monterey	(Lv)	10:40 A	11:00 A	7:50 P	12:30 P	8:30 P
Orange County	(Ar)		11:45 A			<u>9:15 P</u>
Orange County	(Lv)		12:00 N			
Ontario	(Ar)			8:35 P	<u>1:15 P</u>	
Ontario	(Lv)			8:50 P		
Palm Springs	(Ar)		<u>12:25 P</u>			
San Diego	(Ar)	<u>11:40 A</u>		<u>9:15 P</u>		

1/ 1 RT MRY-SMF does not operate Saturday or Sunday.

2/ PSP-SNA segment operates for 4 peak-season months.

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UNITED'S MONTEREY SERVICE PLAN
EFFECTIVE SEPTEMBER 9, 1976

Southbound

Flight Number	859	873	895	843	291	851
Aircraft	B-727-200	B-737	B-727	B-727	B-727	B-727
Seats (F/Y)	14/112	10/85	10/86	10/86	10/86 ^{1/}	10/86
Leaves SFO	7:10 A	12:10 P	2:00 P	7:10 P	9:05 P ^{2/}	10:05 P
Arrives MRY	7:43 A	12:45 P	2:35 P	7:45 P	9:37 P	10:38 P
Departs MRY	8:15 A	1:10 P	3:00 P	8:10 P	-	-
Arrives LAX	9:08 A	2:02 P	3:53 P	9:01 P	-	-

1/ Originates Providence and serves Chicago.

2/ Serves Oakland.

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UNITED'S MONTEREY SERVICE PLAN
EFFECTIVE SEPTEMBER 9, 1976

Northbound

Flight Number	242	922	844	704	416
Aircraft	B-727	B-727	B-727	B-727	B-727
Seats (F/Y)	10/86	10/86	10/86	10/86	10/86
Departs LAX	-	-	9:25 A	4:00 P	7:25 P
Arrives MRY	-	-	10:20 A	4:53 P	8:18 P
Leaves MRY	7:00 A	9:10 A	10:45 A	5:20 P	8:43 P
Arrives SFO	7:27 A	9:43 A ^{1/}	11:12 A	5:47 P	9:10 P
Also Serves	SEA	ORD LGA	PDX	SLC	

All flights operate daily.

^{1/} Serves Oakland.

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Hughes Airwest

Basic Monterey Schedule
Fourth Quarter 1976

Southbound

Flight No.	723	727
Aircraft	DC-9	DC-9
Depart SFO	3:15 P	7:00 P
Arrive MRY	3:48 P	7:33 P
Depart MRY	4:00 P	7:45 P
Arrive LAX	4:51 P	8:36 P

Northbound

Flight No.	983	728
Aircraft	DC-9	DC-9
Depart LAX	9:15 A	3:40 P
Arrive MRY	10:09 A	4:37 P
Depart MRY	10:25 A	4:50 P
Arrive SFO	10:52 A	5:18 P

APPENDIX E

NOTICE OF DETERMINATION

TO: ☒ Secretary for Resources
 1416 Ninth Street, Room 1311
 Sacramento, CA 95814

FROM: (Lead Agency)
State of California
Public Utilities Commission
350 McAllister Street
San Francisco, CA 94102

☐ County Clerk
 County of _____

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code

Project Title	
Scheduled Air Passenger Service to Monterey	
State Clearinghouse Number (If submitted to State Clearinghouse)	
76060804	
Contact Person	Telephone Number
Phillip Blecher	415-557-1487
Project Location Monterey County, including Cities of Monterey, Seaside, Pacific Grove, Del Rey Oaks, and Carmel By The Sea.	
Project Description	
Pacific Southwest Airlines and Air California have requested authority to provide scheduled air passenger service between various airports in northern and southern California and Monterey Peninsula Airport with B-727 jet aircraft and B-737 jet aircraft, respectively.	

This is to advise that the California Public Utilities Commission
 (Lead Agency)
 has made the following determinations regarding the above-described project:

1. The project has been ☒ approved by the Lead Agency.
☐ disapproved
2. The project ☒ will have a significant effect on the environment.
☐ will not
3. ☒ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
☐ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA. A copy of the Negative Declaration is attached.

Date Received for Filing

Signature
Executive Director
 Title

Date