

ORIGINAL

Decision No. 88790 MAY 2 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of STOL AIR, INC.
("STOL") for a certification of
public convenience and necessity
and for exemption from the
requirement that a certificate
of public convenience and
necessity be issued so that
pursuant to said certification
exemption STOL be authorized to
operate as a passenger air
carrier between San Francisco
and Ukiah; San Francisco and
Clear Lake; and Ukiah and Clear
Lake; and that said exemption
be granted on an ex parte basis.

Application No. 57952
(Filed March 29, 1978)

ORDER GRANTING EXEMPTION

On March 29, 1978 Stol Air, Inc. (Stol) filed Application No. 57952 requesting a certificate of public convenience and necessity and an exemption from certificate requirements pursuant to Section 2767 of the Public Utilities Code in order to operate as a passenger air carrier over certain routes discontinued by Nor-Cal Aviation, Inc. (Nor-Cal). The routes involve Ukiah Municipal Airport (UKI), Lampson Field (Clear Lake) (CKE), Gness Field (Novato) (NOT), and Sonoma County Airport (Santa Rosa) (STS).

In letters dated March 29 and March 30, 1978, Nor-Cal notified this Commission that it had discontinued operations at UKI, CKE, NOT, and STS and that an informal agreement had been made with Stol for Stol to maintain operations at those airports. The letters are incorporated as Exhibit B in Stol's application.

Stol currently serves NOT and STS in connection with its existing certificate authority which includes Napa County Airport, Buchanan Field (Concord), Oakland International Airport, and San Francisco International Airport. CKE and UKI are a logical extension of Stol's present route system, and traffic data submitted by Nor-Cal indicate a need for continued service at those points. Stol is an established carrier, having operated as a passenger air carrier since 1972. No protests to this application have been received. We see no reason to deny the application for exemption authority for which no hearing is necessary. The request for a certificate will be dealt with in a further decision. Because of the emergency nature of this grant the order should be made effective the date of the decision.

In order to preserve continuity of service in the most expeditious manner we will grant Stol an exemption from the certificate provisions of Sections 2752, 2754, and 2754.1 of the Public Utilities Code for a period of 90 days. Within said 90-day period, we will issue a final order in the matter of revising the existing certificates of Nor-Cal and Stol that will effect a transfer of Nor-Cal's authority at UKI, CKE, NOT, and STS to Stol's certificated authority, unless protests are received.

Stol 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.

IT IS ORDERED that:

1. Stol Air, Inc. is exempted from the certificate provisions of Sections 2752, 2754, and 2754.1 of the Public Utilities Code in the performance of passenger air carrier service set forth in Appendix A.

2. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure so to do may result in a cancellation of the authority.

- (a) Within ten days after the effective date of this order, applicant shall file a written acceptance of the exemption granted. By accepting the exemption 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 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.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 2nd
day of 1 MAY, 1978.

Robert Bateman
President
William Synow
Vernon L. Stutzman
Charles R. Howell
Clare J. Sedwick
Commissioners

Appendix A

STOL AIR, INC.
(a corporation)

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Stol Air, Inc. is exempted from the certificate provisions of Sections 2752, 2754, and 2754.1 of the Public Utilities Code in the performance of the passenger air carrier service between the following airports subject to the following conditions:

SFO - UKI	STS - CKE
STS - UKI	NOT - STS
UKI - CKE	
SFO - CKE	

Conditions

1. No aircraft having more than 30 revenue passenger seats or a payload or more than 7,500 pounds shall be operated.
2. The exemption granted herein shall expire 90 days from the date of the decision noted below unless sooner canceled, modified, or extended.
3. The following airports shall be used:

<u>Symbol</u>	<u>Location</u>	<u>Name</u>
UKI	Ukiah	Ukiah Municipal Airport
CKE	Clear Lake	Lampson Field
STS	Santa Rosa	Sonoma County Airport
NOT	Novato	Gross Field
SFO	San Francisco	San Francisco International Airport

Issued by California Public Utilities Commission.

Decision No. 88790, Application No. 57952.