

Decision No. 88966 JUN 13 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

CITY OF SANTA MARIA, a municipal corporation, CITY OF LOMPOC, a municipal corporation, and SANTA MARIA PUBLIC AIRPORT DISTRICT, a public airport district,

Complainants,

v.

HUGHES AIR CORP., doing business as HUGHES AIRWEST, a corporation,

Defendant.

Case No. 10011
(Filed November 26, 1975)

James Rozek, Attorney at Law, for Santa Maria Public Airport District; and Alan D. Davidson, City Attorney, for the City of Lompoc;
complainants.

Peter Steven Reis, Attorney at Law, for Hughes Airwest, defendant.

Wanda Strassburg, Stephen C. Larson, and Charles G. Wiswell, for Swift Aire Lines, Inc., interested party.

James D. Squeri and William J. Jennings, Attorneys at Law, and John Ohanian, for the Commission staff.

INTERIM ORDER

Complainants filed this action to request an order from the Commission reducing the fares charged by defendant on its Santa Maria-Los Angeles and Santa Maria-San Francisco flights to the fare proposed by defendant in a tentative tariff filed by defendant on December 9, 1974 and suspended by Decision No. 83976 dated January 7, 1975 in Case No. 9850. (The tariff was suspended by Commission order and the case dismissed after defendant requested that the tariff be withdrawn from Commission consideration.) A

public hearing was held in Santa Maria on February 18, 19, and 20, 1976 and in San Francisco on July 7, 1976. The proceeding was submitted on the last day of hearing after the presentation of final arguments.

However, on July 7, 1976, the Civil Aeronautics Board of the United States (CAB) issued CAB Order 76-7-23 in Docket 24779, wherein interstate airlines (including defendant) were ordered to raise their intrastate fares to levels required if the interstate fare formula was used. The order was sustained on administrative appeal to the CAB. Pursuant to the direction of the CAB order, defendant filed for authorization from this Commission to charge the higher interstate fares between points in California, including service at issue in this case. Defendant was advised by Commission letter dated February 3, 1977 that the request to raise the fares would be held in abeyance until the Commission's judicial appeal of the CAB order was decided. Action was thereupon initiated in the appropriate Federal Court to restrain the CAB from enforcing its order, along with an appeal which seeks to have the CAB order canceled or set aside. During the pendency of this appeal, the CAB and this Commission have stipulated that no further action to enforce or oppose the CAB order will be taken until the appeal is resolved.

Under the circumstances, we conclude that an order should be issued to suspend action in Case No. 10011 until the appeal presently pending in the Federal Court is resolved.

C.10011 avm

IT IS ORDERED that the issuance of a decision in Case No. 10011 be deferred until the appeal pending in the U.S. District Court is resolved.

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

Dated at San Francisco, California, this 13th day of JUNE, 1978.

Robert B. ...
President
William ...
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Commissioners