

Decision No. 89166 JUL 25 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Southwest	)	
Airlines under the Shortened	)	(SPT) Application No. 58064
Procedure Tariff Docket to change	)	(Filed May 10, 1978)
stopover provision in its California	)	
Intrastate Local Passenger Tariff No.1)	)	

O P I N I O N

By this application Pacific Southwest Airlines, ("PSA"), requests authorization to change Rule 11 relating to stopovers in its current California Intrastate Local Passenger Tariff No. 1.

In support of its application the carrier cites the following facts and circumstances:

"A. Origination of current Rule 11 - Stopovers.

Rule 11 covering stopovers was included in PSA's original tariff filing effective May 3, 1949. From that date forward until November 21, 1969 PSA fares for long haul flights were additive of the fare for each leg of the journey. Service between Sacramento and San Francisco was instituted in November, 1969. PSA was then able to offer connecting service between Sacramento and Burbank or Ontario via San Francisco. The fare between Burbank or Ontario and Sacramento was not the additive of the Burbank/San Francisco or Ontario/San Francisco fare and the San Francisco/Sacramento fare. Even with that change the other fares continued to be additive, namely, those between San Diego and the San Francisco Bay Area. On May 21, 1973 and from that date forward fares between San Diego and the San Francisco Bay Area were no longer additive.

"B. Rule 11 - Stopovers should be changed.

Rule 11 has been in PSA's tariff since it started operation in California in 1949 and in actuality it relates to a bygone era when PSA's long haul fares were equal to the total of the fares of the intermediate segments. Various fare changes have over the years eliminated the additive nature of PSA's fares. This outdated rule now causes confusion and gross inequality among passengers.

All passengers traveling on an individual flight should pay the same fare when using only one flight at a time. A select group of passengers should not be able to pay a lower fare because their itinerary called for breaks in their journey. (Breaks which could last from several hours up to one year duration.)"

PSA further states that it does not want to eliminate reasonable connections between flights for a passenger to reach his final destination. The carrier asserts that what should be eliminated is the ability to have an unreasonable layover(s) where a passenger can purchase a ticket at one fare level and can thereby use multiple flights at a lower total fare than the total fare for the segments flown. To clarify its intent PSA proposes that the current Rule 11 be eliminated and a new Rule 11 be substituted as follows:

Rule 11. Stopovers

Stopovers at an intermediate point will not be permitted. Stopover means a deliberate interruption of a journey by the passenger, on a carrier at a point between the place of departure and the place of destination.

A stopover, as used herein, will occur when a passenger arrives at an intermediate transfer point and fails to depart from such intermediate transfer point on

- (a) the first flight on which space is available; or
- (b) the flight that will provide for the passenger's earliest arrival at intermediate transfer point(s) or destination point.

Provided, however, that in no event will a stopover occur when the passenger departs from the intermediate transfer point on a flight shown in PSA's official general schedules and/or service patterns as departing within four hours after his arrival at such point.

In further support of this application, PSA alleges that stopovers are not allowed by other carriers. It states that the tariffs of other California intrastate operators as well as the interstate tariffs of federal carriers do not allow stopovers without the payment of additional charges. PSA is the only carrier with such a rule.

The carrier informs us that a survey was taken for the period February 25, 1978 through March 3, 1978 of the originating stations that issue the most PSA Connecting Passes (a connecting pass is used by the passenger to board another aircraft at an intermediate point). The result of this survey indicates that with the new proposed Rule 11, PSA's passenger revenue would increase on an annual basis less than \$100,000. Inasmuch as PSA's passenger revenue in 1977 exceeded \$144,000,000, the increase in revenue as a result of revising the stopover rule would result in an increase in passenger revenue of less than one-tenth of one percent.

The application was filed on May 10, 1978 and appeared on the Commission calendar for May 11, 1978. No protests or requests for a public hearing have been received.

After due consideration, the Commission finds that the application of PSA to revise its tariff regarding stopovers is reasonable and should be granted. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. PSA is authorized to revise Rule 11 in its California Intrastate Local Passenger Tariff No. 1 as proposed in this application.
2. Tariff publications authorized to be made as a result of this order may be made effective on not less than ten days' notice to the Commission and to the public.
3. The authority shall expire unless exercised within ninety days after the effective date of this order.
4. 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 105-Series.

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

Dated at San Francisco, California, this 25th day of JULY, 1978.

Robert Batimonek

President

William J. Sussman Jr.

Yvonne L. Sturgeon

Robert W. Howell

Clair T. DeLoach

Commissioners