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Decision No. <u>89204</u> AU

AUG 8 - 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of STOL AIR, INC., for) a Certificate of Public Convenience) and Necessity to operate as a Passenger Air Carrier between Sonoma County and Napa, Sonoma County and Oakland, Sonoma County and Pierce Field, Napa and Oakland, Marin and Oakland, Concord and Oakland, Oakland and Pierce Field, San Francisco and Pierce Field, Nut Tree and Sonoma County, Nut Tree and Oakland, Nut Tree and San Francisco, and Nut Tree and Pierce Field.

In the Matter of the Application of EUREKA AERO INDUSTRIES, INCORPORATED, for deletion of Condition "3" from its existing Certificate of Public Convenience and Necessity permitting Eureka Aero Industries, Incorporated, to carry passengers directly between Sonoma County Airport and Oakland International Airport and to add Redding Municipal Airport to its existing Certificate of Public Convenience and Necessity permitting Eureka Aero Industries, Incorporated, to carry passengers between said Redding Municipal Airport and all other airports on its permanent certificate. Application No. 57116 (Filed March 2, 1977)

Application No. 57475 (Filed July 26, 1977)

$\underline{O P I N I O N}$

In Application No. 57116 Stol Air, Inc. (Stol) seeks authority to provide nonstop air passenger service between Oakland,

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A.57116, A.57475 avm *

on the one hand, and Santa Rosa, Concord, Napa, and Novato, on the other hand, and between Santa Rosa and Napa. It is presently serving all of these communities. On January 30, 1978 Eureka Aero Industries, Incorporated (Eureka Aero) protested the application for service between Oakland and Santa Rosa but has since withdrawn its protest. There are no current protests to the application. The application also included a request for authority to provide service at Pierce Field and Nut Tree. By letter dated April 12, 1978 from Mr. Eryce Appleton, general manager of Stol, a request was made to delete all reference to Pierce Field and Nut Tree. There are no other carriers presently serving the requested citypairs. Applicant alleges that there is public desire and need for said service, and that Stol is willing and qualified to perform this service.

In Application No. 57475 Eureka Aero seeks deletion of a restriction in its certificate that passenger service between Santa Rosa and Oakland be transported only via Sacramento, authorization to carry air passengers nonstop between Sonoma County Airport in Santa Rosa and Oakland International Airport, and authorization to carry passengers between Redding Municipal Airport and all other airports on its permanent certificate. The Redding part of Application No. 57475 was authorized by Decision No. 89139 dated July 25, 1978. Applicant alleges that it has received many requests to provide nonstop service between Santa Rosa and Oakland and that it is willing and qualified to perform this service. There are no current protests to Eureka Aero's application.

There is currently no nonstop service between Santa Rosa and Oakland. Both Stol and Eureka Aero presently serve Santa Rosa and Oakland.

Authorizing both Stol and Eureka Aero to carry passengers between those cities will supplement their existing service and will be of benefit to the two communities.

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A.57116, A.57475 avm

After consideration the Commission finds and concludes that there is currently no nonstop service between Santa Rosa and Oakland; that Stol and Eureka Aero both serve Santa Rosa and Oakland; that both carriers have sufficient business experience and have demonstrated adequate financial stability to conduct the proposed operation; that both carriers possess the required insurance coverage and own, operate, and have adequate aircraft to provide the requested service to meet the needs and demands of the public; that all flights will be made in propeller-driven aircraft having a gross weight of under 12,500 pounds; and that public convenience and necessity require the granting of the requested certificates. The Commission further concludes that it can be seen with certainty that there is no possibility that the activity in question may nave a significant effect on the environment.

The Commission further concludes that the effective date of this order should be the date on which it is signed because there is no opposition to the applications, and it will facilitate expeditious implementation of the service.

Stol and Eureka Aero 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.

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IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Stol Air, Inc., authorizing it to operate as a passenger air carrier, as defined in Section 2741 of the Public Utilities Code, between

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A.57116, A.57475 avm *

Oakland International Airport, on the one hand, and Santa Rosa, Concord, Napa, and Novato, on the other hand, and between Santa Rosa and Napa and all other points as particularly set forth in Second Revised Page 1 of Appendix A, attached hereto and made a part hereof.

2. Condition 2 of Eureka Aero Industries, Incorporated's certificate of public convenience and necessity limiting its authority to operate out of Sonoma County Airport (Santa Rosa) on a "Flag Stop" basis and between Eureka and Sacramento only is hereby deleted.

3. A certificate of public convenience and necessity is granted to Eureka Aero Industries, Incorporated, authorizing it to operate as a passenger air carrier, as defined in Section 2741 of the Public Utilities Code, between Sonoma County Airport and Oakland International Airport and all other points as particularly set forth in Eighth Revised Page 1 of Appendix A, attached hereto and made a part hereof.

4. In providing service pursuant to the authority granted by this order, applicants 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, each applicant shall file written acceptance of the certificate granted. By accepting the certificate each 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, each applicant shall establish the authorized service and file tariffs, in triplicate, with the Commission.

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- (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	e date of this	order is the date hereof.
Dated at	San Francisco	, California, this <u>874</u>
AUGUST	, 1978.	-
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Commissioners

President

Commissionor William Symons, Jr., boing necessarily abcent, did not participate in the disposition of this proceeding.

Commissionor Clairo T. Dedrick, boing nocessarily absent, did not participato -5- in the disposition of this proceeding.

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Appendix A (Dec. 83262)

STOL AIR, INC.

Second Revised Page 1 Concels First Revised Page 1

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Stol Air, Inc., by this certificate of public convenience and necessity, is authorized to operate as a passenger air carrier between the following sirports only:

SFO-STS	SFO-UKI	*APC-STS	1
SFO-APC	SFO-CKE	-//OAX-CCR	CCR-APC
SFO-CCR	STS-UKI	HOAK-STS	CCR-STS
SFO-NOT	STS-CICE	#OAK_APC	
STS-NOT	UKI-CKE	#OAK-NOT	

Conditions:

- 1. No aircraft having more than 30 revenue passenger seats or a payload of more than 7,500 pounds shall be operated.
- 2. Each airport pair shall be served with a minimum of one flight in each direction on each of five days a week.
- No passenger shall be carried whose transportation is solely *3. between the respective airports of CCR and APC or CCR and STS.
 - 4. The following airports shall be used:

Symbol	Location	Name
SFO	San Francisco	San Francisco International
STS	Santa Rosa	Sonoma County Airport
CCR	Concord	Buchanan Field
NOT	Novato	Gnoss Field
APC	Napa	Napa County Airport
UKT.	Uriah	Ukiah Municipal Airport
CKE	Clear Lake	Lampson Field
#OAK	Oakland	Oakland International Airport

Issued by California Public Utilities Commission.

#Added or *Revised by Decision No. 89204

, Application No. 57116.

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Appendix A (Dec. 80076)

· EUREKA AERO INDUSTRIES. INCORPORATED

Eighth Revised Page 1 Cancels Seventh Revised Page 1

Eureka Aero Industries, Incorporated, by this certificate of public convenience and necessity, is authorized to operate as a passenger air carrier between the following airports only:

EKA - CIC	OAK - CIC	RDD - SMF
EKA – OAK	OAK - RDD	SMF - STS
eka – RDD	OAK - SMF	SMF - CIC
, EKA - SMF	#OAK - STS	· · · · · · · · · · · · · · · · · · ·
EKA - STS	RDD - CIC	

Conditions:

- 1. Each airport shall be served with a minimum of one flight in each direction on each of five days a week.
- 2. No aircraft having more than 30 revenue passenger scats or a payload more than 7,500 pounds shall be operated.

SYMBOL	LOCATION	NAME
C IC	Chico	Chico Municipal Airport
EKA	Eureka	Murray Field
OAK	Oakland	Oakland International Airport
SMF	Sacramento	Sacramento Metropolitan Airport
STS	Santa Rosa	Sonoma County Airport
RDD	Redding	Redding Municipal Airport

Issued by California Public Utilities Commission.

#Added by Decision No. ______, Application No. 57475.