

ORIGINAL

Decision No. 89546 OCT 17 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of UNITED AIR)	Shortened Procedure
LINES, INC. for Authority to)	Tariff Docket
File Intrastate Local Air)	Application No. 58326
Freight Rules Tariff No. 6.)	(Filed August 31, 1978)

OPINION AND ORDER

United Air Lines, Inc. (United) is engaged in the intrastate and interstate air transportation of freight and passengers. United provides air transportation between various points in the State of California.

By this application, United seeks authority to cancel its Intrastate Local Air Freight Rules Tariff No. 5-A, Cal.P.U.C. No. AF-8, and file Intrastate Local Air Freight Rules Tariff No. 6, which will result in increases of certain rates and charges.

In support thereof, United maintains that there have been no increases of freight rates or charges in its Tariff No. 5-A since 1953; that its operations within California are presently conducted at an operating loss; and that current charges for the services provided in Tariff No. 5-A represent 1953 prices, based on 1953 costs and practices.

United proposes to effect changes in its tariff which will provide additional rules for the different freight services now available in California; add charges for services not included in its current tariff; and increase present charges that are in its current tariff. United asserts in its application that these changes cover the cost of specific service requests by specific shippers, and thus keep these costs out of the general transportation rates paid by the majority of shippers who do not require

these special services. United alleges that increases in specific charges reflect the increased costs of the services from levels last revised 25 years ago. United also states that the new and revised sections of its intrastate tariff are consistent with its interstate tariffs, and the provisions are in no way more restrictive, nor are the charges higher, than those set forth in the interstate tariff.

United asserts that revenue increases resulting from the proposed charges will total less than one percent of its current intrastate freight revenue within California. According to the list submitted by United, the application was served on its competitors and other interested parties. The application was listed on the Commission's Daily Calendar of September 1, 1978. No objection to the granting of the application has been received.

The Commission finds that increases resulting from the rates and charges, rules and regulations as proposed in Application 58326 are justified. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. United Airlines, Inc. is authorized to cancel Intrastate Local Air Freight Rules Tariff No. 5-A, Cal.P.U.C. No. AF-8, and to publish and file its Intrastate Local Air Freight Rules Tariff No. 6 as proposed in the application.

2. Tariff publications authorized to be made as a result of the order herein may be filed not earlier than the effective date of this order and may be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public.

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