

Decision No. 89611 : OCT 31 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of Eagle Aviation, Inc., doing)
business as Eagle Airlines, for)
a Certificate of Public Convenience)
and Necessity to provide passenger)
air service between Los Angeles)
International Airport, on the one)
hand, and Paso Robles Municipal)
Airport, on the other hand; and)
application for exemption pursuant)
to Section 2767 of the California)
Public Utilities Code)

Application No. 58341
(Filed September 5, 1978)

O P I N I O N

By this application, Eagle Aviation Inc., seeks a Certificate of Public Convenience and Necessity as an air passenger carrier between the airports at Los Angeles and the Municipal Airport at Paso Robles. The only scheduled air passenger service at Paso Robles is Swift Aire. Swift presently provides one, two-stop, morning flight from Los Angeles to Paso Robles, and two, two-stop midday flights from Paso Robles to Los Angeles. There is no morning departure from Paso Robles to Los Angeles and no evening return. Eagle Aviation proposes to fill the gap by flying non-stop between these points and providing an essential service to the people of Paso Robles.

Staff investigation indicates that the applicant is engaged in various air operation businesses, including charter air passenger and air cargo service between Los Angeles and Paso Robles. The applicant is presently carrying passengers between the requested points on a charter basis. It is the intention of the applicant to schedule these flights and provide ticket service to the general public.

Applicant complies with the insurance requirements of General Order 120-C.

The financial statement included with the application indicates that the applicant is solvent and has adequate operating capital to commence and sustain the air passenger operation requested.

The applicant owns and is operating adequate flight equipment to commence service. Maintenance will be performed by the applicant's licensed personnel at its certificated maintenance base at Long Beach. Sufficient qualified flight personnel are available.

The applicant has flight crews that are on furlough and notice must be given them in advance of the start-up date. Moreover, new pilots must be hired. In order to allow these measures to be taken at the earliest time, and allow the applicant opportunity to commence to earn a return with its two new Cessnas, this order should be issued at the earliest available Commission Conference. The above-mentioned circumstances, given the applicant's size, creates an emergency situation and justifies directly placing this order on the agenda without notice to the public. Further, the following order should be made effective the date hereof.

F I N D I N G S

The Commission finds that:

1. The applicant is requesting certification to provide non-stop air passenger service between Los Angeles and Paso Robles.
2. Swift Aire is presently providing midday service between these points and on a one-and two-stop basis.
3. The applicant has:
 - (a) Available aircraft, flight personnel and business experience to perform the proposed service.
 - (b) Insurance coverage as required by General Order 120-C.
4. The applicant has sufficient capital to commence the proposed service.
5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
6. The applicant's proposed fares are not unreasonable for the type of service proposed.

7. There is a public need for the service proposed.
8. All interested and affected parties, including Swift Aire, have been served a copy of the application.
9. No protests have been received.
10. A public hearing is not necessary.
11. There is local public support for this applicant including a formal resolution from the Paso Robles City Council.

C O N C L U S I O N S

Based upon the foregoing findings of facts, the Commission concludes that the proposed non-stop service is in the public interest and that a Certificate of Public Convenience and Necessity should be issued to Eagle Aviation, Inc., to provide air passenger service between Los Angeles and Paso Robles.

Eagle Aviation, Inc., 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 granting 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 cancelled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A Certificate of Public Convenience and Necessity is granted to Eagle Aviation, Inc., authorizing it to operate as a passenger air carrier, as defined in Section 2741 of the Public Utilities Code, between the points set forth in Appendix A of this Decision.
2. In providing service pursuant to the authority granted by this order, Eagle Aviation, Inc., 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, applicant shall file a written acceptance of the certificate granted. By accepting the certificate, applicant is placed on notice that it will be required, among other things, to file annual reports of its operations in accordance with General Order No. 134 and to comply with the requirements of the Commission's General Orders Nos. 120, 129, 137 and 144.
- (b) Within one hundred twenty 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 the effective date of this order on not less than ten 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 as set forth in the Commission's General Order No. 105-Series.

The effective date of this order shall be the date

hereof.

Dated at San Francisco, California, this 31st
day of OCTOBER, 1978.

Robert Babcock
President
William Synors
Vernon L. Sturgeon
Charles R. Harkle
Clare J. DeSisti
Commissioners

Eagle Aviation, Inc., by this Certificate of Public Convenience and Necessity, is authorized to operate as an air passenger carrier between the following airports only:

LAX - PRB

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 shall be served with a minimum of one flight in each direction on each of five days a week.
3. The following airports shall be used:

<u>Symbol</u>	<u>Location</u>	<u>Name</u>
LAX	Los Angeles	Los Angeles International Airport
PRB	Paso Robles	Paso Robles Municipal Airport

Issued by the California Public Utilities Commission.
Decision No. 89611, Application No. 58341.