

Decision No. 89746 DEC 12 1978

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of W. L. Murphy and H. C.)	
Murphy doing business under the firm)	
name of Yosemite Airlines for a)	Application No. 58225
Temporary Certificate of Public)	(Filed July 13, 1978)
Convenience and Necessity as a)	(Amended September 13, 1978)
"Passenger Air Carrier")	

O P I N I O N

W. L. Murphy and H. C. Murphy, doing business as Yosemite Airlines, a passenger air carrier certificated by this Commission, request temporary authority to carry passengers by air between Columbia (COA) and Pine Mountain Lake (OYS) Airports on the one hand and Monterey Peninsula Airport (MRY) on the other hand, between Columbia and Pine Mountain Lake Airports and Lake Tahoe Airport (TVL) and between Monterey Peninsula Airport and Lake Tahoe Airport.

Yosemite Airlines has been operating as a passenger air carrier since 1975 and currently provides service between COA and OYS and San Francisco International Airport (SFO) and Oakland International Airport (OAK). The carrier proposes to link the recreation areas of Monterey and Lake Tahoe with those it already serves - Yosemite National Park and the Gold Country. Yosemite Airlines does not presently intend to operate between MRY and SFO/OAK or TVL and SFO/OAK.

The carrier wishes to institute service on May 15, 1979 and requests that authority be granted in time to allow for promotion of the service. It requests that temporary authority be granted for 18 months to cover two tourist seasons.

Initially, Yosemite Airlines proposes to operate three to five flights per week, May through December and two to three flights per week, January through April. When the market develops, the carrier expects to operate two flights per day.

The proposed fares including tax are as follows:

COA	-	TVL	\$25.00
OYS.	-	TVL	25.00
COA	-	MRY	29.00
OYS.	-	MRY	29.00
MRY	-	TVL	50.00

Yosemite Airlines has notified the staff that due to increasing costs, the actual fares may be slightly higher than originally proposed.

By letter dated August 15, 1978, the Monterey Peninsula Airport District informed the Commission that the main terminal areas would not be available for use by Yosemite Airlines for at least one and one half years. Yosemite Airlines in a letter dated October 15, 1978, states that Monarch Aviation, a fixed base operator at MRY, has agreed to allow Yosemite Airlines to use Monarch's ramp and lobby facilities. A letter dated October 17, 1978 from Monarch Aviation, verifies the availability of passenger facilities for the proposed service at MRY.

We find that Yosemite Airlines has demonstrated its ability to perform as a passenger air carrier since 1975. It has the financial stability, equipment and passenger facilities necessary to inaugurate and maintain additional service. The proposed service appears viable given the level of service proposed and the type of aircraft to be used. The carrier proposes to use aircraft with a seating capacity of no more than eight passengers. The fares proposed are reasonable for this type of operation. It can be seen with certainty that there is no possibility that the service proposed by Yosemite Airlines will have a significant effect on the environment. There are no protests to this application.

Yosemite Airlines 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 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.

We conclude that the application should be granted.

O R D E R

IT IS ORDERED that:

1 A temporary certificate of public convenience and necessity is granted to W. L. Murphy and H. C. Murphy, doing business as Yosemite Airlines, authorizing them to operate as a passenger air carrier as defined in Section 2741 of the Public Utilities Code, between the airports at Columbia and Pine Mountain Lake and those at South Lake Tahoe and Monterey and between Lake Tahoe and Monterey. The temporary certificate is attached hereto as Appendix A.

2. The authority granted herein is temporary for a period of 18 months and shall expire on October 14, 1980, unless sooner altered, amended, revoked or made permanent by further order of this Commission.

3. In providing service pursuant to the authority granted by this order, applicant 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) No later than May 15, 1979, 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 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 date of this order is 30 days after the date hereof.

Dated at San Francisco, California, this 12th day of DECEMBER, 1978.

Robert Bateman
President
William J. Givens, Jr.
Vernon L. Sturgeon
Robert D. Howell
Clive L. D. Smith
Commissioners

W. L. Murphy and H. C. Murphy, doing business as Yosemite Airlines, by this temporary Certificate of Public Convenience and Necessity, are authorized to operate as a passenger air carrier between the following airports only:

COA - MRY	COA - TVL
OYS - MRY	OYS - TVL
MRY - TVL	

Conditions:

1. Propeller-driven aircraft having no more than 30 revenue passenger seats or a payload of no more than 7,500 pounds shall be operated.
2. Service between the airport pairs listed above shall be provided at a minimum of two round trips per week.
3. The authority herein is temporary and shall expire October 14, 1980.
4. The following airports shall be used:

<u>Symbol</u>	<u>Location</u>	<u>Name</u>
COA	Columbia	Columbia Airport
OYS	Pine Mountain Lake	Pine Mountain Lake Airport
MRY	Monterey	Monterey Peninsula Airport
TVL	South Lake Tahoe	Lake Tahoe Airport

Issued by California Public Utilities Commission.

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