

ORIGINAL

Decision No. 90156 APR 10 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SWIFT AIRE LINES, INC. for a clarification or emergency Amendment on Decision No. 89685 dated November 28, 1978 to round fares up or down to the even dollar after addition of the 8% Federal Tax.	}	Application No. 58251 (Filed July 24, 1978) (Petition for Modification Filed March 5, 1979)
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SECOND OPINION AND ORDER

In Decision No. 89685 dated November 28, 1978, Swift Aire Lines, Inc. (Swift) was authorized "to establish increased air fares and discount air fare programs not to exceed 15 percent by way of increase over present fares and not to exceed 35 percent by way of discount under present fares ..." This authority will expire November 28, 1979. On petition made March 5, 1979, Swift seeks authority to round its fares to the nearest dollar. No protests have been received.

Swift asserts that at present all of its fares are stated in even dollar amounts. Under the authority granted in Decision No. 89685, however, certain increases will result in a fare which includes a portion of fifty cents or more and some with a portion less than fifty cents. Because of the 15 percent limit on fare increases the portion of fifty cents or more cannot be rounded up to an even dollar. If rounding is authorized Swift will round all portions of fifty cents or more up to the nearest dollar and all portions of less than fifty cents down to the nearest dollar. The net effect on rates is expected to be minimal.

Swift asserts that the resultant rounding will benefit both the traveling public and the airline. Swift states that even dollar fares are easiest and fastest for the passenger to understand, compute, compare, and negotiate; even dollar fares are easiest for the carrier's agents and travel agents to use in quoting fares and preparing tickets; the computer tapes which store the rate information

for Swift and for all major carriers are programmed to the nearest dollar, and any other kind of fare must be specially programmed at considerable cost in manpower and expense; and fares on file with the Civil Aeronautics Board are rounded to the nearest dollar, except for those covering some intrastate routes.

Decision 89743 dated December 12, 1978 authorized Air California to round its fares to the even dollar amounts.

Pursuant to Decision No. 89685 Swift wants to increase some fares and decrease some fares as soon as possible. Swift seeks authority to round to the nearest dollar. The Commission, having considered the petition for modification makes the following findings and conclusion:

Findings of Fact

1. A public hearing is not necessary in this matter.
2. Air California was granted authority to round its fares to the even dollar amount by Decision 89743 dated December 12, 1978.
3. Rounding fares to the nearest dollar (fifty cents or more rounded up; forty-nine cents or less rounded down) will be beneficial to the traveling public, travel agents, and the airline.
4. Any increase or decrease in rates authorized herein is justified and the rates and charges authorized herein are reasonable.
5. Swift should be permitted to file the tariff publication authorized to be made as a result of this order on not less than five days' notice to the Commission and the public.
6. In order to continue the program of experimental rates provided for in Decision No. 89685 this order should be made effective on the date hereof.

A. 58251 PWL

Swift should be authorized to round its fares to the nearest dollar after instituting the increases and decreases in rates authorized by Decision No. 89685.

IT IS ORDERED that:

1. Swift Aire Lines, Inc. is authorized to round its fares to the nearest dollar after instituting the increases and decreases authorized by Decision No. 89685.

2. The tariff filings made pursuant to this order may be made on not less than five days' notice to the Commission. In all other respects, they shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 105-Series.

3. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in its terminals a printed explanation of its proposed fares. Such notice shall be posted not less than five days before the effective date of the fare changes and shall remain posted for a period of not less than thirty days.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 17th day of APRIL, 1979.

John E. Bryan  
President  
Wesley L. Stinson  
Richard D. Howell  
Clair T. Smith  
James H. [unclear]  
Commissioners