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Decision No. 91515 APR 2 1980

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Air California)
to increase its Intrastate)
Passenger Fares.)

Application No. 58126
(Filed June 9, 1978)

ORDER OF DISMISSAL

Applicant seeks an increase in intrastate passenger fares.

Pursuant to the order of the U. S. District Court for the Northern District of California (Hughes Air West, et al., v PUC, et al., Civil No. C-78-2880-SW, March 9, 1979), this Commission is permanently enjoined from regulating rates, routes, or services of any air carrier having authority under Title IV of the Federal Aviation Act of 1958, as amended, to provide interstate air transportation. The court held that the sole authority to regulate the intrastate operations of such airlines lies with the Civil Aeronautics Board. The order has been appealed by this Commission.

Processing of this application has been withheld pending resolution of the jurisdictional issues. The facts under which the application was filed have changed and the record is stale.

This application should be dismissed because the jurisdictional issue raised in the federal court proceeding may not be finally resolved for some time. If the jurisdictional issue is resolved in favor of California, the application herein may be refiled.

Therefore, IT IS ORDERED that this application is dismissed without prejudice.

The effective date of this order shall be thirty days after the date hereof.

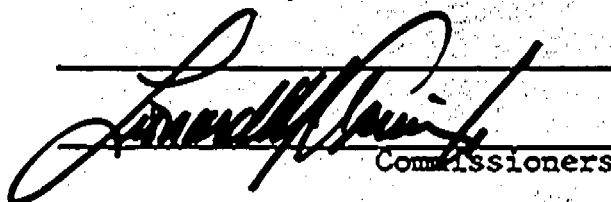
Dated APR 2 1980, at San Francisco, California.



President



Commissioner



Commissioners

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.