Decision No. 91521 APR 2 1980

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE

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 Paso Robles Municipal Airport, on the one hand, and San Francisco International Airport and San Jose Municipal Airport, on the other hand, and application for exemption pursuant to Section 2767 of the California Public Utilities Code.

Application No. 58596 (Filed January 11, 1979)

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ORDER OF DISMISSAL

Applicant seeks a certificate of public convenience and necessity to provide passenger air service between Paso Robles and San Francisco.

Pursuant to the order of the U.S. District Court for the Northern District of California (Sierra Flite Service Inc. \underline{v} PUC, et al., Civil No. 079-0840 SW, June 1, 1979), this Commission is permanently enjoined from regulating the rates, routes, or services of any air carrier having authority or holding an exemption under Title IV of the Federal Aviation Act of 1958, as amended. The court has 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.

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A.58596 II

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.

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Dated _____ APR 2 1980 ____, at San Francisco, California.

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