

§ 399.35

14 CFR Ch. II (1-1-08 Edition)

- ⁵Via Anchorage (\$15.28).
- ⁶Via Anchorage (\$48.94).
- ⁷Via Fairbanks (\$59.74).
- ⁸Local WA Fare.
- ⁹Via Kodiak (\$24.40).
- ¹⁰July 1977 fare increased by cumulative adjustment factor of 1.5558% per Order 80-4-211.

APPENDIX C TO § 399.34—ADJUSTMENT OF THE INTRA-HAWAIIAN FARE LEVEL JULY 1, 1977, TO REFLECT COST AT 12.35 PERCENT RETURN

	Regulatory actual Y.E. March 1977			Cost inflation adjusted to July 1, 1977			July 1, 1977, at 12.35 pct R.O.I.
	Aloha	Hawaiian	Total	Aloha	Hawaiian	Total	
RPM's (000)	321,578	404,793	726,371	321,578	404,793	726,371	726,371
ASM's (000)	489,128	638,050	1,127,178	489,128	638,050	1,127,178	1,127,178
Load Factor (percent)	65.75	63.44	64.44	65.75	63.44	64.44	64.4
Yield (dollars) ²	\$0.1427	\$0.1453	\$0.1441	\$0.1427	\$0.1453	\$0.1441	\$0.1589
Operating Revenue—Total	\$47,648	\$71,599	\$119,247	.....	.....	.....	.....
Passenger Related Revenue	\$46,301	\$59,942	\$106,243	\$46,301	\$59,942	\$106,243	\$116,966
Operating Expense—Total	\$45,195	\$68,836	\$114,031	.....	.....	.....	.....
Passenger Related Expenses ..	\$43,858	\$57,501	\$101,359	¹ \$45,937	\$59,013	¹ \$104,950	\$104,950
Operating Profit—Passenger	\$2,443	\$2,441	\$4,884	\$364	\$929	\$1,293	\$12,016
Interest Expense	\$741	\$2,583	\$3,324	\$741	\$2,583	\$3,324	\$3,324
Earnings Before Tax	\$1,702	\$(142)	\$1,560	\$(377)	\$(1,654)	\$(2,031)	\$8,692
Tax at 48 Percent	\$817	\$68	\$749	\$181	\$794	\$975	\$4,172
Net Income	\$885	\$(74)	\$811	\$(196)	\$(860)	\$(1,056)	\$4,520
Return Element	\$1,626	\$2,509	\$4,135	\$545	\$1,723	\$2,268	\$7,844
Investment	\$16,192	\$47,326	\$63,518	\$16,192	\$47,326	\$63,518	\$63,518
Return on Investment (percent)	10.04	5.30	6.51	3.37	3.64	3.57	12.35
Increase Factor ³ .....	.....	.....	.....	.....	.....	.....	10.27

¹ Cost inflation to July 1, 1977; 1.047 percent for Aloha, 1.026 for Hawaiian. The differing rates for the two carriers, having equivalent aircraft and duplicate route structures, is due primarily to a shift by Hawaiian to larger DC-9-50 aircraft starting in the fourth quarter of 1976.
² Passenger revenue divided by RPM's.
³ Passenger yield at 12.35 percent return divided by actual passenger yield for the year ended March 1977.

[PS-96, 45 FR 48604, July 21, 1980]

§ 399.35 Special tariff permission.

(a) *Definition.* As used in this section, to grant STP means to approve a carrier's application for Special Tariff Permission to file a tariff on less than the statutory notice set forth in § 221.160(a) of this chapter.

(b) *Lower fares, rates, and charges.* It is the policy of the Board to grant STP for tariffs that state lower fares, rates, or charges and any rules affecting only those lower fares, rates, or charges, except that:

(1) The Board will not grant STP to match a tariff filed on statutory notice; and

(2) The Board will not grant STP if the proposed fares, rates, charges, or rules raise significant questions of lawfulness, that is, could reasonably be expected to be found unjust or unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or predatory, under current statutory or Board guidelines. In these situations, if the carrier files the tariff on statutory

notice and at the same time applies for STP to advance the tariff's effective date, the Board will use its best efforts to act within 15 days to grant or deny STP.

(c) *Higher fares or rates.* For tariffs that state higher fares or rates, and any rules affecting only those fares or rates, the Board's policy on STP is, except in unusual or emergency circumstances:

(1) To grant STP if the resulting fares or rates are within a statutory or Board-established zone of fare or rate flexibility; and

(2) Otherwise, to deny STP.

[PS-94, 45 FR 40974, June 17, 1980, as amended by PS-109, 48 FR 4279, Jan. 31, 1983]

§ 399.36 Unreasonable discrimination.

(a) As used in this section:

(1) *Unreasonable discrimination* means unjust discrimination or unreasonable preference or prejudice; and

(2) *Rate* means rate, fare, or charge.