

Decision No. 25980.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the)
CROWLEY LAUNCH & TUGBOAT CO., for cer-)
tificate of public convenience and ne-)
cessity to operate vessels for the trans-) Application No. 18711.
portation of freight and passengers for)
compensation, between points upon the in-)
land waters of the State of California.)

Thomas Crowley, for applicant.
John W. Carrigan, for H-10 Water Taxi Company,
protestant.
C. N. Perkins, Deputy City Attorney, for the City
of Los Angeles, Harbor Department.
Richard E. Wedekind, for the Pacific Electric Rail-
way Company and Pacific Motor Transport Company,
protestants.
Ray Meacham, for City Transfer & Storage Company,
protestant.
James E. Pawson, for DeLuxe Water Taxi Company,
Inc., protestant.
Charles A. Bland, for the Board of Harbor Commis-
sioners of Long Beach, protestants.
R. O. Baldwin, for the Long Beach Chamber of Com-
merce, protestant.

BY THE COMMISSION:

O P I N I O N

The Crowley Launch & Tugboat Company has petitioned the Railroad Commission for a certificate of public convenience and necessity to operate vessels for the transportation of freight and passengers for compensation, upon the inland waters of the State of California between points in the Ports of Los Angeles (San Pedro and Wilmington) and Long Beach.

A public hearing was held before Examiner Kennedy at San

Pedro and the matter submitted. At the hearing the application was, by stipulation, narrowed to a freight service only. Granting of the application was protested by the Pacific Electric Railway Company, Pacific Motor Transport Company, City Transfer and Storage Company, City of Los Angeles Harbor Department, Board of Harbor Commissioners Long Beach, and Long Beach Chamber of Commerce.

Applicant has been engaged in the transportation of freight by vessel in Los Angeles Harbor for the past eleven years. Its operations have consisted largely of handling ships' stores and cargo from wharves to vessels lying at anchor in the Harbor. It is estimated that between 2500 and 3000 tons of freight have been handled annually. Applicant proposes to engage in transporting freight in lots of 30 tons or more between wharves, docks and piers in the Los Angeles and Long Beach Harbors on the one hand and vessels anchored or moored in or at Outer Harbor of the Port of Los Angeles on the other. The equipment to be used in this service will consist of two launches, one tug, one lighter and one combined lighter and water barge.

Applicant claims that it has furnished service at Los Angeles Harbor for many years under the impression that such service was not subject to the Commission's jurisdiction but that following the Commission's decision in Harbor Tug & Barge Co. vs. Roy Osborn, 37 C.R.C. 851, it is its desire to legalize its operation through the securing of a certificate of public convenience and necessity and the filing of a tariff with the Commission.

The record shows that there is no other common carrier by vessel operating under the jurisdiction of the Commission in the field proposed to be served by applicant. Although the record is lacking in a comprehensive showing of the public need for this

service, it is evident from the applicant's statement of tonnage handled that the service has been extensively used. A service such as applicant proposes to operate will insure the harbor district of a service found by practical experience to be essential.

Protestants offered no evidence to show that they would be adversely affected by applicant's proposed operations.

Crowley Launch & Tugboat Company is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

O R D E R

A public hearing having been held on the above entitled application, the matter having been duly submitted and the Commission being fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Crowley Launch & Tugboat Company of vessels between wharves, piers and docks at Los Angeles and Long Beach Harbors on the one hand and vessels anchored or moored in or at the Outer Harbor of the Port of Los Angeles on the other for the transportation of freight, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to Crowley Launch & Tugboat Company for the operation of vessels between

wharves, piers and docks at Los Angeles and Long Beach Harbors on the one hand and vessels anchored or moored in or at the Outer Harbor of the Port of Los Angeles on the other, for the carriage of freight for compensation.

This order is subject to the following conditions:

1. Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
2. Applicant shall file in triplicate and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten (10) days' notice to this Commission and the public, a tariff constructed in accordance with the Commission's rules and containing rates and rules which in volume and effect shall be identical with the rates and rules in the exhibit attached to the application in so far as they conform to the certificate herein granted.
3. Applicant shall file in duplicate and make effective within a period not to exceed thirty (30) days from the date hereof and on not less than five (5) days' notice to the Commission and the public, time schedules covering the service herein authorized in a form satisfactory to the Commission.
4. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of this Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.
5. No boat or vessel may be operated by applicant unless said boat or vessel is owned by said applicant or is leased by it

under a contract or agreement on a basis satisfactory to the
Railroad Commission.

For all other purposes the effective date of this order
shall be twenty (20) days from date hereof.

Dated at San Francisco, California, this 29th day of
May, 1933.

D. L. Leavelle

M. A. C.

M. B. Harris

M. A. C.
Commissioners.