

Decision No. 28690

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
WILMINGTON TRANSPORTATION COMPANY,  
a corporation, for a certificate of  
public convenience and necessity  
to operate vessels for the trans-  
portation of persons and freight  
for compensation between the port  
of Santa Monica and the port of  
Avalon, both in Los Angeles County,  
California. )

Application No. 19827  
(Second Supplemental)

ORIGINAL

Young, Lillick, Olson & Kelly, by  
James L. Adams, for Applicant.

T. D. Plumer, for City of Santa Monica,  
Interested Party.

John L. S. Cooke, for Santa Monica Chamber  
of Commerce, Interested Party.

E. O. Marler, for Pacific Electric Railway  
Company, Interested Party.

BY THE COMMISSION.

O P I N I O N

The second supplemental application in the above entitled proceeding was filed February 15, 1936, and in this supplement, the Wilmington Transportation Company seeks authority to permanently discontinue operations between Santa Monica and Avalon.

A public hearing was conducted in this matter by Examiner Hunter, at Los Angeles, on March 27, 1936, at which time it was taken under submission and is now ready for decision.

Applicant filed its original petition to the Commission on February 11, 1935, seeking a certificate to operate vessels

for the transportation of freight and passengers between the port of Santa Monica and the port of Avalon<sup>(1)</sup>. After public hearing, the Commission, by its Decision No. 27892, dated April 15, 1935, granted applicant the certificate sought. The file shows that service was commenced on this line on June 1, 1935.

On August 10, 1935, applicant filed its first supplemental application, seeking authority to operate this service on a seasonal basis, from June 1 to September 15, each year. This authority was granted by Decision No. 28208, dated September 3, 1935.

Applicant's request for authority to permanently abandon this operation is based upon three major considerations: First, that the harbor facilities at Santa Monica are inadequate and make for unsafe operation; second, public convenience and necessity do not require the continuance of this operation; third, the service cannot be conducted at a profit, which results in a hardship upon applicant and its other public utility operations.

Applicant has, for many years, operated vessels for the transportation of passengers and freight between Wilmington and Avalon. The line between Santa Monica and Avalon was a second route and service was inaugurated with the thought of developing additional business. The main operations between Wilmington

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(1) The port of Santa Monica is approximately fifteen miles closer to the metropolitan area of the City of Los Angeles than is the port of Los Angeles and applicant believes that many residents of the City of Los Angeles, and particularly many persons residing in the westerly districts thereof and in the various municipalities lying between the City of Los Angeles and the City of Santa Monica, will avail themselves of such closer terminal facilities in going to and in returning from Santa Catalina Island. The City of Santa Monica and various civic and mercantile interests thereof and residents therein have requested applicant to establish the proposed service and applicant believes that the public convenience and necessity of those persons residing in the westerly portion of Los Angeles County will be best served by the establishment of the proposed service.

and Avalon, however, were not reduced as a result of the new line from Santa Monica.

The following tabulation shows the results of operation between Santa Monica and Avalon during the period the service was in operation from June 1 to September 10, 1935:

Month	Total Passengers		Total Revenue		Operating Expense	Gross Loss
	From Avalon	To Avalon	Freight and Passengers			
June,	1074	1361	\$3547.33	\$6966.10	\$3418.77	
July,	1490	1755	4614.77	7167.29	2552.52	
August,	1904	1957	5449.37	7160.56	1711.19	
September,	471	337	1159.09	2991.18	1832.09	
Total,	4939	5410	\$14770.56	\$24285.13	\$9514.57	
Ticket Office and Longshore Expense at Santa Monica,				673.12	673.12	
Proportion of Ticket Office and Longshore Expense at Avalon,				300.00	300.00	
				\$25,238.23	\$10,487.69	

Of the total revenue indicated above, \$121.91 is from freight, the balance being passenger and miscellaneous revenue.

Applicant, through its ship captains, offered testimony which shows conclusively that the Santa Monica harbor, in its present condition, is inadequate and unsafe for this type of operation. In fact, it was shown that on a number of occasions, the ship<sup>(2)</sup> was docked at Wilmington, rather than Santa Monica, due to inability to land at the latter point, and the passengers transferred to Santa Monica via bus; also, that it was unsafe to tie up the ship at the Santa Monica end of the run, thus necessitating its being berthed at Avalon. This unsafe condition results from the fact that the breakwater thus far constructed at Santa Monica does not effectively eliminate strong currents which make it both difficult and hazardous to dock the ship at that point. All parties of record concur in the contention that further operation should not be conducted from the Santa Monica pier by ships of the character employed in this operation, until and unless harbor facilities are materially improved.

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(2) No attempt was made to operate any ship other than the SS. Cabrillo, which is the smallest of the three vessels operated by the Wilmington Transportation Company.

At the outset, it was assumed that because of the fact that a large portion of the Los Angeles metropolitan area was tributary to Santa Monica, considerable traffic would flow over the line between Santa Monica and Avalon. Actual experience, however, showed that little traffic availed itself of this facility. Doubtless the main reason why this line was not better patronized was the fact that the time consumed to cross the channel was about three and a half hours as compared to two hours to travel between Wilmington and Avalon. In other words, any saving made on the land travel from the district tributary to Santa Monica was more than offset by the increased time on the boat. Also the boat trip between Wilmington and Avalon is on the average much smoother than is the case in traveling between Santa Monica and Avalon. The record shows that, whereas, the SS. Cabrillo has a capacity of 599 passengers, on the average, 102 passengers (inbound and outbound) were carried per day on the ship while operating between Santa Monica and Avalon.

It is applicant's contention that the four months' operation indicated above is a fair test of what can be expected in the way of travel over this route, as the operations were given considerable publicity and an earnest effort was made to attract patronage. There is nothing in the record to indicate that applicant could expect any substantial increase in the business over this line.

The executive vice president of applicant, David P. Fleming, indicated that if the harbor facilities could be improved at Santa Monica so as to insure safety of operation, and it could be shown that the operations could be conducted at a profit, applicant would be willing to consider re-establishment of this service.

The City of Santa Monica, through its Acting Mayor, T. D. Plumer, testified that the City of Santa Monica was not opposed to the Commission granting the Wilmington Transportation Company authority to discontinue its operation between Santa Monica and Avalon

at this time, realizing that the facilities of Santa Monica harbor are not adequate and do not permit of safe operation in their present condition. It was his suggestion that the Commission grant the authority with the understanding that service would be resumed if and when the harbor facilities were improved and it could be shown that the operation could be conducted at a profit.

The record shows there is now pending before the United States War Department an application for a loan of approximately \$1,000,000 to be used in reconstructing and adding to the existing breakwater, and that upon completion of this reconstruction, the City of Santa Monica has in mind adding to the existing dock facilities to such an extent as to provide safe anchorage for not only the vessels of the Wilmington Transportation Company, but such other vessels engaged in coastwise traffic as might be attracted to this harbor.

Pacific Electric Railway Company's representative, H. O. Marler, testified that his Company would not oppose the granting of the application; that experience had shown that travel carried on its rail lines to and from this boat operation was an unremunerative operation varying from two to twelve passengers per trip.

The file shows that the Chambers of Commerce of both San Pedro and Wilmington were not opposed to the granting of this supplemental application.

A review of this record shows that applicant should be granted authority to permanently discontinue the operation of its vessels between Santa Monica and Avalon, and the following order will so provide.

O R D E R

A public hearing having been held and the matter having been submitted,

IT IS HEREBY ORDERED that Wilmington Transportation Company is hereby authorized to permanently discontinue the operation of service between Santa Monica and Avalon, and to cancel, in conformity with the rules of this Commission, all passenger and freight rate tariffs and time schedules between said points, subject, however, to the following conditions:

- (1) Applicant shall afford the public at least thirty (30) days' notice of the abandonment authorized herein, by posting notices at the terminals at Santa Monica, Wilmington and Avalon, as well as aboard the ships operated in the service between Wilmington and Avalon. A similar notice shall be posted at applicant's ticket office in the Pacific Electric Building, Los Angeles.
- (2) Applicant shall, within thirty (30) days thereafter, notify this Commission, in writing, of the abandonment of the passenger and freight service herein authorized, and of its compliance with the conditions hereof.
- (3) The authorization herein granted shall lapse and become void if not exercised within one (1) year from the date hereof, unless further time is granted by subsequent order.

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

Dated at San Francisco, California, this 6th day of April, 1936.

M. B. Lami  
Leon C. Whately  
M. H. Lamy  
Walter J. Lamy  
Frank R. Lamy

Commissioners.