Decision No. 31011.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of McGOUGH BROS. TRANSPORTATION CO., a co-partnership, for certificate of public convenience and necessity to operate boats for the transportation of passengers for compensation between points upon the inland waters of the State of California

Application No. 20867.

RUSSELL B. CARNER, for Applicant WAKEFIELD, Commissioner:

## ORIGINAL

## OPINION AFTER FURTHER HEARING

On March 31st, 1938, an application was made for further extension of time in order to comply with the Commission's Decision No. 29507, dated February 1st, 1937, in this proceeding, alleging that due to the business recession, applicant has been unable to finance the construction of the boat it proposed to place in the service between Santa Monica and Avalon. This matter was sot for further hearing at Los Angeles for 10:00 A.M. on June 7th, 1938. <sup>(1)</sup>

The record shows that applicant has leased a boat known as "NORCONIAN III" and is now prepared to proceed with the service as authorized in the certificate issued by the Commission in its Decision No. 29507, dated February 1, 1937, and as amended by Decision No. 29830, dated June 1, 1937, and Decision No. 30030, dated August 9, 1937.

The record shows that the "NORCONIAN III" has a length of 64 feet 11 inches; beam 15 feet; draft 4 feet. It is equipped to carry seventy-two passengers and was completed in April of this year at a cost in excess of \$40,000.

Application No. 21798 deals with an operation between Long Beach and Avalon. It was announced that, due to the similarity of the operations proposed in the instant Application. and Application No. 21798 that the two matters would be consolidated for the purpose of taking testimony but not for decision.

The records show that the Bureau of Marine Inspection of the Federal Government prescribes rules and regulations for the safety of operation of boats in excess of fifteen gross tons. Since the "NORCONIAN III" has a gross weight in excess of fifteen tons, its operation with respect to safety will be determined by the Federal Government.

The failure of applicant to comply with the provisions of said Decision No. 30030, automatically cancelled the certificate granted by Decision No. 29507 in this proceeding. However, the record shows that applicant's intention to commence this operation was evidenced by its application for further extension of time filed March 31st, 1938, and also by its offer at the hearing to place the boat herein described in the service. The opinion az expressed in Decision No. 29507 still prevails, that there is a public necessity for this type of service between Santa Monica and Avalon during the summer season and that the application for extension of time, in order to permit the institution of this service, appears to be reasonable and should be granted.

O R D E R

Public hearing having been held and the Commission being fully advised,

IT IS HEREEY ORDERED that Conditon (2) of Decision No. 29507, dated February 1st, 1937, as amended by Decision No. 29830, dated June 1st, 1937, is hereby further amended to read as follows:

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In all other respects, Decision No. 29507 shall remain in full force and effect.

IT IS HEREBY FURTHER ORDERED that Decision No. 30030, Cated August 9th, 1937, in this proceeding is hereby revoked.

The foregoing Opinion and Order After Further Hearing are hereby approved and ordered filed as the Opinion and Order After Further Hearing of the Railroad Commission.

The effective date of this Order shall be the date hereof. Dated at San Francisco, California, this  $\frac{20^{-12}}{2}$  day of

June, 1938.

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