

Decision No. 31971.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of
CHARLES PIERSON SLOCOMBE for permission
to transfer certificate of public con-
venience to the PACIFIC WATER TAXI
COMPANY.

Application No. 21798.

Jonah Jones, Jr., for Applicant.

WAKEFIELD, Commissioner.

OPINION AND ORDER

In this proceeding applicant seeks an order approving the sale and transfer to Pacific Water Taxi Company of an operating right for a water taxi service for the transportation of persons and property between Long Beach-Los Angeles Harbor and Avalon, Santa Catalina Island. This operating right was created by Decision No. 28802, dated May 11th, 1936, on Application No. 20433, and subsequent to that date the service has been conducted on a seasonal basis. The matter of equipment is not involved in this proceeding.

Public hearings on the instant application were held at Los Angeles and, the matter having been duly submitted, it is now ready for decision.

On January 24th, 1939, an amendment to the application was filed, advising the Commission that during the year 1938, Pacific Water Taxi Company, a corporation, was dissolved and its assets delivered to E. A. Judd and Ed V. Turner, doing business as Pacific Water Taxi Company, a copartnership. The Commission is requested that the transfer of certificate, if granted, be made to

this copartnership instead of to the corporation as originally prayed for.

The equipment now used in the service and proposed to be used by Pacific Water Taxi Company, a copartnership, if the transfer sought is granted, is the water taxi "Jericho." The principal dimensions of this boat are - length 51 feet 6 inches; beam 10 feet 2 inches; gross weight 14.87 tons. The record shows that at the time the original certificate was granted, this boat was licensed to carry 82 passengers. Subsequently, however, the boat has been completely rebuilt and now has a capacity of 60 passengers. The testimony shows that Pacific Water Taxi Company has at all times been the owner of this piece of equipment and that the original applicant and present holder of the certificate was the originator of the idea that a certificate be secured and, therefore, filed the application for such certificate.

If this taxi service is to be conducted, it would seem there is little difference from a public standpoint whether it is conducted by applicant or Pacific Water Taxi Company. In fact, it appears that this latter copartnership is better equipped financially to perform the service than was the original owner of the certificate. After carefully considering all the evidence herein, it is concluded that the transfer of certificate should be authorized as prayed for in this application, as supplemented, and the following form of order is recommended.

Pacific Water Taxi Company, a copartnership, 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 as to the number of rights which may be given.

O R D E R

Public hearings having been held and the Commission being fully advised;

IT IS HEREBY ORDERED that the above entitled application be and the same is hereby granted, as to the transfer of operative rights only, subject to the following conditions:

- (1) Applicant Charles Pierson Slocombe shall, within twenty (20) days after the effective date of this order, unite with applicant Pacific Water Taxi Company, a copartnership, in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Charles Pierson Slocombe on the one hand withdrawing and applicant Pacific Water Taxi Company on the other hand accepting and establishing such tariffs and effective supplements thereto.
- (2) Applicant, Charles Pierson Slocombe, shall, within twenty (20) days after the effective date of this order, withdraw time schedules filed in his name with the Railroad Commission and applicant Pacific Water Taxi Company, a copartnership, shall, within twenty (20) days after the effective date of this order, file in duplicate, in its own name, schedules covering service heretofore given by applicant Charles Pierson Slocombe, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Charles Pierson Slocombe, or time schedules satisfactory to the Railroad Commission.
- (3) The rights and privileges herein authorized may not be sold, leased, transferred or assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured.
- (4) No vessel may be operated by applicant Pacific Water Taxi Company, a copartnership, unless said vessel is owned by said applicant or is leased by it under a contract or agreement on a basis

satisfactory to the Railroad Commission. A copy of any such lease or leases must be filed with the Commission.

- (5) The authority granted to sell and transfer the right shall lapse and be void if the parties hereto shall not have complied with all of the conditions within the periods of time fixed herein unless, for good cause shown, the time shall be extended by further order of the Commission.

The authority herein granted shall become effective on the date hereof.

Los Angeles
Dated at ~~San Francisco~~, California, this 2nd day
of May, 1939.

Pastorabund
Frank DeWitt
W. L. Rice
H. B. M.
Justin J. Caenen
Commissioners.