

ORIGINAL

Decision No. 40690

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
GOLDEN GATE EXCURSION COMPANY, for)
Certificate to operate a motor boat)
for the transportation of passengers) Application No. 28577
for compensation between points in)
the State of California.)

Appearances

John Barton O'Brien for applicants.

Donahue, Richards, Rowell & Gallagher by
O. J. Bowman for Key System Transit Lines,
protestant.

John W. Collier, City Attorney, for the City
of Oakland; Lloyd Hughes for the Board of Port
Commissioners, City of Oakland; Stan Lore for
Shipwrights, Joiners and Boat Builders Union;
Harry E. Avery for United Engineering Company;
and Reginald L. Vaughan of The Harbor Tug and
Barge Company, interested parties.

O P I N I O N

By this application, as amended, William F. Lenhart,
Thomas L. Reese and Eugene Vigno, copartners doing business as
Golden Gate Excursion Company, seek a certificate of public conven-
ience and necessity authorizing the operation of vessels, as a
common carrier, for the transportation of persons between the foot
of Broadway in Oakland and the plant of United Engineering Company
in Alameda, a distance of approximately one-half mile.

A public hearing was held before Examiner Bradshaw at
Oakland on August 6, 1947.

The proposed service is intended as a means of transport-
ing employees of the United Engineering Company to and from their
work. It is alleged that parking facilities at the United's plant
are inadequate to permit employees to drive their own automobiles,

that the motor coach service furnished by the Key-System Transit Lines is inadequate, and that due to the volume of vehicular traffic especially during peak hours the Posey Tube between Oakland and Alameda is too crowded to permit the free flow of transportation.

One of the applicants testified that trips will be operated between the proposed termini at 10 minute intervals during the morning and afternoon rush hours, the number to depend on the demand for transportation. It is stated that three small boats are available for the service.¹ While a one-way fare of 15 cents is proposed, it is contemplated that a monthly commutation ticket equivalent to 10 cents a ride will be established. The witness estimated that the trip will require about 10 minutes and, based upon the opinion of United's personnel manager, anticipates carrying approximately 500 persons per day. The assertion was made that United will arrange for suitable parking facilities near applicants' proposed Oakland terminal.

The president-manager of the local Shipwrights, Joiners and Boat Builders Union testified that approximately 625 members of his union were employed at United's Alameda plant and that the subject of transportation to and from the plant has been discussed many times since the discontinuance of a former ferry service.² He expressed the opinion that Key System Transit Lines is operating sufficient busses, but that traffic conditions in the Posey Tube cannot be alleviated by using existing transportation facilities.

¹ One of these boats is 61 feet 8 inches in length; the others are 36 and 33 feet in length.

² Such a service was operated by or for account of the Navy during the war. According to the record, the service was in operation from the early part of 1943 through August, 1946.

A statement signed by approximately 560 employes of United, setting forth that they would patronize the proposed service and requesting adequate water-taxi service between the Alameda plant and Oakland, was presented as an exhibit.

The personnel manager of United testified that transportation to and from the plant has been extremely poor due to the inadequacy of the Posey Tube. Parking facilities at the plant were characterized as very inadequate in the past, but as being barely adequate at present. It appears that United has been engaged in the complete reconversion of three large steamships but that work on two of these ships has been suspended. About 800 of 3,800 men, the number formerly employed, were affected. The witness stated that he had no knowledge whether work on the two vessels would be resumed, and if the suspension of work continues for five months a further reduction in personnel is very probable. The available transportation facilities at the time of the hearing were said to be "fine" but "they just don't get through the Tube fast enough."

The Oakland City Council, Board of Port Commissioners of the City of Oakland, United Engineering Company and the union representing certain of the latter's employees urged that the application be granted. The Key System Transit Lines protests the issuance of the operating authority sought by applicants.

A witness for Key System Transit Lines described the service of that carrier to and from United's plant. The basic daytime service between Oakland and the Naval Air Station in Alameda, over a route which passes United's plant, was said to be every 20 minutes. However, it appears that 5 trips are operated

between 5:00 a.m. and 6:00 a.m., 26 between 6:00 a.m. and 7:00 a.m. and 21 between 7:00 a.m. and 8:00 a.m.³ In the opposite direction, 19 schedules are operated between 3:00 p.m. and 4:00 p.m., 25 between 4:00 p.m. and 5:00 p.m., and 6 between 5:00 p.m. and 6:00 p.m. According to the testimony, of the schedules maintained between 4:00 p.m. and 5:00 p.m. 10 are operated between 4:05 p.m. and 4:15 p.m. for the exclusive use of United's employees. Additional coach service is operated on another route about two blocks from the plant upon a 20 minute headway throughout the day.

Congested conditions in the Posey Tube were conceded, but it was indicated that steps have been taken to minimizing delays in the operation of Key System coaches between Oakland and Alameda. The average running time from 11th and Broadway in Oakland to United's plant was stated to be 17 minutes. According to the witness, this time is not exceeded by more than 3 or 4 minutes except in the case of accidents. He explained that due to the inability to obtain new equipment the carrier was unable to maintain schedules in the past, but that at the present time it has sufficient coaches to maintain whatever schedules may be necessary.

There is no substantial dispute with respect to the contention that traffic conditions in the Posey Tube retard the movement of vehicles between Oakland and United's plant. Indeed, the principal issue is whether the proposed vessel operation will afford a more expeditious and improved means of transportation than now available. A review of the record leads to the conclusion that as

³ Three schedules are also operated from San Francisco between 6:00 a.m. and 8:00 a.m.

to the passengers who utilize the service of Key System Transit Lines it is doubtful whether an appreciable saving in travel time would be realized by using the proposed service. However, from the standpoint of greater convenience in going to and from the plant, it is evident that the proposed service will afford substantial relief to those employees who customarily travel in private automobiles. Moreover, the evidence herein does not show that the vessel operations would seriously affect the traffic of Key System Transit Lines. Indeed, the record tends to indicate that, in utilizing the vessel service, those of United's employees who do not travel in private automobiles will in all probability use the Key's street cars to and from a point near applicants' Oakland terminal, instead of the coaches operating between Oakland and Alameda through the Poscy Tube. In our opinion, the proposed vessel service should be authorized.

Upon careful consideration of all of the facts and circumstances of record in this proceeding, the Commission is of the opinion and finds that public convenience and necessity require that applicants be authorized to engage in the operation of vessels, as a common carrier, for the transportation of persons between the foot of Broadway in Oakland and the plant of United Engineering Company in Alameda.

William F. Lenhart, Thomas L. Reese and Eugene Vigno, copartners doing business as Golden Gate Excursion Company, are hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate-fixing for any amount of money in

excess of that originally paid to the State as the consideration for the grant of such rights. 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 had in the above entitled application and the Commission, upon the evidence received, having found that public convenience and necessity so require,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to William F. Lenhart, Thomas L. Reese and Eugene Vigno, copartners doing business as Golden Gate Excursion Company, authorizing the establishment and operation of a service by vessels, as defined in Section 2(y) of the Public Utilities Act, for the transportation of persons, as a common carrier, between the foot of Broadway in Oakland and the plant of United Engineering Company in Alameda.

IT IS HEREBY FURTHER ORDERED that in providing service pursuant to the certificate herein granted, applicants shall comply with and observe the following service regulations:

1. Applicants shall file a written acceptance of the certificate herein granted within a period not to exceed thirty (30) days from the effective date hereof.

2. Applicants shall file, in triplicate, an appropriate tariff, in a form suitable to the Commission, showing all rates, fares and charges, including rules and regulations applicable thereto, covering transportation services under the certificate herein granted within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and the public.

This order shall become effective twenty (20) days from the date hereof.

Dated at Los Angeles, California, this 10th day of September, 1947.

Harold P. Kula

Justus F. Collier

J. H. Powell

B. J. [unclear]

Commissioners