

ORIGINAL

Decision No. 41431

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )	
H-10 WATER TAXI COMPANY, LTD., for )	
certificate of public convenience and )	
necessity to operate vessels for the )	Application No. 29098
transportation of passengers for com- )	
penetration between points in the State )	
of California. )	

Appearances

James E. Pawson, for applicant.  
Charles A. Bland and E. F. Manning, for Board of Harbor  
 Commissioners, Long Beach.  
Charles Slocombe, for Long Beach Sport Fishing and Boat  
 Rentals, Inc.

O P I N I O N

Applicant is a California corporation engaged in the business of transporting, as a common carrier by vessel, passengers and express between San Pedro and ships at anchor in the Los Angeles Outer Harbor area. It seeks authority to extend its services to include sight-seeing trips in and about the Long Beach and Los Angeles harbors, and to provide certain service between San Pedro and Long Beach.

A public hearing of the application was held before Commissioner Huls and Examiner Abernathy at Los Angeles on March 5, 1948.

The sight-seeing trips for which applicant seeks authority would consist of tours through both harbors. Guides would be available on the vessels to point out principal points of interest. The trips would originate at San Pedro and at Long Beach. Upon completion of the trips the patrons would be returned to their respective starting points. As a separate sight-seeing service applicant seeks

authority to transport patrons of Tanner Motor Tours, Ltd., between San Pedro and Long Beach in conjunction with excursions by motorbus conducted by that company.<sup>1</sup> For round-trip service through both harbors the proposed fares are \$1.27 $\frac{1}{2}$  plus federal tax for adults and 51 cents plus federal tax for children 12 to 16 years old. For the service between San Pedro and Long Beach for patrons of Tanner Motor Tours the proposed fare is \$1.00 plus federal tax.

Applicant's president testified that common carrier service is not available for tourists and other persons who wish to make a water tour of the Los Angeles and Long Beach harbors. He said that he receives frequent requests for such service, and that he believes sufficient demand exists or could be developed to justify its establishment and maintenance. He stated that applicant company owns and operates suitable vessels and is otherwise qualified for an undertaking of this kind. The witness did not offer evidence specifically in support of the proposed service for patrons of Tanner Motor Tours, Ltd.

No one appeared in opposition to the granting of the application. A representative of the Board of Harbor Commissioners of the City of Long Beach testified in favor of the sight-seeing tours through the harbors and stated that they would meet a public demand. The San Pedro Chamber of Commerce, the San Pedro Junior Chamber of Commerce, and a water taxi company submitted similar statements by letters which were received in evidence. No position

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<sup>1</sup> Authority for this separate service was requested by amendment to the original application. It appears that some transportation service between San Pedro and Long Beach is being provided at the present time to patrons of the motorbus company.

was taken by any of these organizations with respect to the proposed service between San Pedro and Long Beach.

The evidence in this proceeding does not demonstrate a public need for the proposed San Pedro-Long Beach service in conjunction with Tanner Motor Tours, Ltd. Otherwise the record points to a public need for sight-seeing service by vessel in and about the Los Angeles and Long Beach harbors. It appears that applicant company possesses the necessary equipment and is qualified by experience to render a sight-seeing service as proposed. We are satisfied from the testimony of applicant's president that the undertaking would be attended by reasonable probabilities of success. Upon this record we find that public convenience and necessity require the proposed service except as it relates to transportation performed in conjunction with Tanner Motor Tours. To this extent only the application will be granted; in other respects it will be denied.

Applicant, H-10 Water Taxi Company, Ltd., is 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

Application as above entitled having been filed, a public hearing having been held thereon, the matter having been submitted, the Commission being fully advised in the premises and hereby finding that public convenience and necessity so require,

IT IS HEREBY ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to H-10 Water Taxi Company, Ltd., authorizing the establishment and operation of a sight-seeing service by vessel for the transportation of passengers from San Pedro and from Long Beach and return to point of departure, said service to be performed upon the inland waters of the State as encompassed by the Los Angeles and the Long Beach harbors.

(2) That in providing service pursuant to the certificate herein granted, H-10 Water Taxi Company, Ltd. shall comply with and observe the following service regulations:

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

(b) Applicant shall, within sixty (60) days from the effective date hereof and upon not less than one (1) day's notice to the Commission and to the public, establish the service herein authorized and file, in triplicate, and concurrently make effective, tariffs and time schedules satisfactory to the Commission.

(c) Subject to the authority of this Commission to change or modify such at any time, H-10 Water Taxi Company, Ltd. shall conduct said sight-seeing service

over and along the following described routes:

From San Pedro

Leaving Berth 90, San Pedro, California, proceeding southerly down the main channel to Anchorage "A" in Los Angeles Harbor, thence east past the Los Angeles Harbor entrance and lighthouse, for approximately three miles; thence northeast into the Pico Street Navy Landing at Long Beach; thence into main entrance of the Long Beach Harbor to Cerritos Channel; thence westerly into the Los Angeles Harbor and return to Berth 90, San Pedro.

From Long Beach

The route for sight-seeing trips from Long Beach shall be over the same route as that above described from San Pedro, except that the trips shall begin and end at the Pico Street Navy Landing, Long Beach.

IT IS HEREBY FURTHER ORDERED that in all other respects the application be and it is hereby denied.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated, at San Francisco, California, this 6<sup>th</sup> day of April, 1948.

R. Z. Anderson  
Justice J. Wallace  
George Russell  
Harold Kule  
Samuel Titter  
 Commissioners