

ORIGINAL

Decision No. 43240

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SHASTA)
 LAKE GRAY LINES for a certificate to)
 operate by water a common carrier service)
 for the transportation of passengers,)
 baggage and express within the meaning of)
 Sections 2(y) and 50(d) of the Public) Application No. 30528
 Utilities Act between Dekkas Creek on the)
 McCloud River and McCloud River Bridge as)
 an extension of its existing rights, and)
 to serve all intermediate points thereto.)

Appearances

Norman H. Robotham and Daniel S. Carlton,
for applicant.

O P I N I O N

Shasta Lake Gray Lines, a corporation, operates a common carrier service for the transportation of passengers, baggage and express by vessel on Shasta Lake between Gray Line Boat Dock, on the one hand, and Lakeshore, Dekkas Creek and intermediate points, on the other.¹ By this application, as amended, it seeks authority to extend its operative rights from Dekkas Creek to McCloud River Bridge, a distance of about six miles. It also proposes to serve points² intermediate between Dekkas Creek and McCloud River Bridge.

Public hearing was held before Examiner Lake at Redding on August 16, 1949.

¹ Applicant's present operations are conducted with one 55 foot steel cruiser equipped with a 165 horsepower diesel engine and having a capacity of 68 passengers.

² The application originally sought authority to transport passengers only. At the hearing it was amended to include baggage and express.

At the hearing a witness for applicant testified that under its present operations it handles a large volume of sightseeing traffic and at the same time provides transportation service for property owners located along the routes served by it. The witness explained that earlier this year the United States Bureau of Reclamation installed drum gates into the spillway at Shasta Dam, with the consequence that the level of the lake will be raised, permitting safe navigation on that portion of the lake herein sought to be served. The part of Shasta Lake thus made accessible to navigation, it is alleged, has the most beautiful scenery to be found on the McCloud River arm of the lake and is ideally suitable for development as a resort region.

At present daily service is maintained by applicant between Shasta Dam and Dekkas Creek, and daily except Saturday and Sunday service between Shasta Dam and Lakeside. Applicant now proposes to provide, in conjunction with this service, daily service between Dekkas Creek and McCloud River Bridge.³ According to the witness, the proposed extension of service will not require any additional vessels.

None of the points proposed to be served by applicant is now reached by any other common carrier. Practically none of these points is located on public highways.

A witness for the Redding Chamber of Commerce and an owner of property situated on the shores of the lake testified in support of the granting of the application. They stated that the proposed operation would stimulate tourist trade, assist in the development of lake properties, and provide a necessary service. No one opposed the granting of the application.

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The proposed time schedules and rates to be charged are set forth in the application.

Upon careful consideration of all of the facts and circumstances of record, the Commission finds as a fact that public convenience and necessity require the establishment of the proposed service. The application, as amended, will be granted. Applicant is 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

Based on the evidence of record and on the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED

(1) That a certificate of public convenience and necessity be and it is hereby granted to Shasta Lake Gray Lines, authorizing common carrier vessel operations within the meaning of Sections 2(y) and 50(d) of the Public Utilities Act between Deltas Creek and McCloud River Bridge on Shasta Lake, and all intermediate points, for the transportation of passengers, baggage and express as an extension and enlargement of, and to be consolidated with, the operative rights acquired by applicant in Decision No. 40647 in Application No. 28595.

(2) That in providing service pursuant to the certificate herein granted, applicant shall comply with 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 after the effective date hereof.

(b) Applicant shall, within sixty (60) days after the effective date hereof and upon not less than one day's notice to the Commission and to the public establish the service herein authorized and comply with the provisions of Tariff Circular No. 2 and General Order 87 by filing, in triplicate, and concurrently making effective, tariffs and time schedules satisfactory to the Commission.

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

Dated at San Francisco, California, this 23rd day of August, 1949.

A. J. [Signature]
Justus F. [Signature]
[Signature]
Harold P. [Signature]
Commissioners