

Decision No. 51934**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of DE LUXE WATER TAXI COMPANY, a
California corporation, for the
certificate of public convenience
and necessity.

Application No. 37083

Hurwitz and Hurwitz, by Robert E. Hurwitz, for
applicant.

A. Maxson Smith, for Shearwater, Inc., protestant.

Henry Jordan, Chief Engineer, Bureau of Franchises
and Public Utilities of the City of Long Beach, in-
terested party.

Richard Entwistle and John F. Specht, for the
Commission's staff.

O P I N I O N

De Luxe Water Taxi Company, a corporation, is engaged
in the transportation of freight and passengers by boat pursuant
to authority from this Commission. ^{1/} By the application herein,
applicant seeks authority to transport persons by vessel for
compensation between landing places in the City of Long Beach
and Los Alamitos Bay.

A public hearing was held in Long Beach on August 10,
1955, before Examiner Kent C. Rogers, evidence was presented,
and the matter was submitted. It is ready for decision.

^{1/} Decision No. 26214, dated August 7, 1933, in Application
No. 18774; Decision No. 34510, dated August 19, 1941, in Applica-
tion No. 23653; and Decision No. 50572, dated September 21, 1954,
in Application No. 35287.

The proposed trips will last approximately one hour. Fares will be 50 cents for children under twelve years of age, and \$1.00 for adults. Between September 15 and June 30 no trip will be made unless there are at least fifteen full-fare or half-fare passengers. Trips will be made with any number of passengers the balance of the year. The applicant has and will use in its proposed services six water taxis carrying from 85 to 125 passengers each.

Applicant's business manager testified that boats used in the proposed service will depart from the Pico Street Landing in Long Beach Harbor and go east to Alamitos Bay, picking up passengers enroute. Stops will be made, he said, at any public landing in Long Beach Harbor except Magnolia Pier. The witness testified that the applicant receives as many as twenty requests on week days and as many as sixty requests on weekends for boat rides such as contemplated herein. The applicant can, he said, give boat rides at present, but only on an hourly basis, and such authority does not enable applicant to accommodate individuals. No schedules have been prepared as the schedules will depend on the demand, but if there is enough demand, schedules will be set up, he said.

The only protestant was Shearwater, Inc. This carrier is authorized to operate from the Magnolia Pier in the City of Long Beach via Cerritos Channel, San Pedro, and San Pedro Bay to the point of origin.^{2/} In our opinion the two services will

^{2/} Decision No. 48806, dated July 7, 1953, in Application No. 34128.

not be competitive. The Shearwater services are exclusively west from the Magnolia Pier (about two miles east of the Pico Street Landing). The proposed service will originate at the Pico Street Landing, but will go east to and including Alamitos Bay with no stop at Magnolia Pier.

Upon a full review of this record, the Commission is of the opinion and finds that public convenience and necessity require the operation by applicant of a service for the transportation of persons by vessel over the inland waters of this state between the points set forth in the ordering paragraph herein.

De Luxe Water Taxi Company, a California corporation, 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. 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

Application as above entitled having been filed, public hearings having been held thereon, the matter having been submitted, and the Commission being fully advised in the premises,

IT IS HEREBY ORDERED:

(1) That a certificate of public convenience and necessity, as provided in Section 1007 of the Public Utilities Code, be and

it hereby is, granted to De Luxe Water Taxi Company, a corporation, authorizing the establishment and operation of a service as a common carrier in the transportation of persons by vessel between the Pico Street Landing and the entrance to Alamitos Bay, in Long Beach Harbor, picking up and discharging passengers at intermediate public landings, provided that applicant shall neither pick up nor discharge passengers at the Magnolia Street Pier.

(2) That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted.
- (b) Within sixty days after the effective date hereof, and upon not less than five days' notice to the Commission and the public, applicant shall establish the service herein authorized and file in triplicate and concurrently make effective tariffs and time schedules satisfactory to the Commission.

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

Dated at San Francisco, California,
this 6th day of September, 1955.

John E. Mitchell
President

Justice J. Cassner

R. Hardy

Commissioners

Ray E. Untereiner
Commissioner - Matthew J. Dooley being necessarily absent, did not participate in the disposition of this proceeding.