

Decision No. 54926**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 CATALINA ALL YEAR BOAT COMPANY, a)
 corporation, for authority to sell)
 certain vessels to Catalina Island)
 Steamship Line, and to place its)
 operations on an "on call" basis)
 throughout the year.)

Application No. 38622

Robert F. Erburu, of Gibson, Dunn and Crutcher,
 for applicant.

Bill Krug, in propria, persona, interested party.

William F. Hibbard, for the Commission staff.

O P I N I O N

The Catalina Island Steamship Line, under the terms of Decision No. 54050, dated November 5, 1956, in Application No. 38276, is required "to conduct its operations on an all-year basis, using the steamship S. S. Catalina when the traffic is of sufficient volume and using the gasoline motorboat Descanso or other craft at least equal thereto at other periods."

The Catalina All Year Boat Company is now authorized to operate as a common carrier by vessels transporting persons and property for compensation between Wilmington, California, and Avalon, California, and between Long Beach and Avalon. This authority is on a scheduled basis during the summer months and on an on-call basis during the winter.

Decision No. 53369, dated July 10, 1956, in Application No. 38188.

The Catalina All Year Boat Company presently owns four boats: the Descanso, Sportsman, Jericho, and Streamline. The Catalina Island Steamship Line owns two small boats: the Companero and the Pacifico. It also owns a steamship, the S. S. Catalina.

In this application authority is requested to permit the Catalina All Year Boat Company to transfer the Jericho, Sportsman, and the Streamline to the Catalina Island Steamship Line. Likewise, the Catalina All Year Boat Company requests that its existing certificate of public convenience and necessity be modified so as to require only on-call operations throughout the year instead of the present requirements for scheduled operations during the summer months and on-call operations during the winter.

A public hearing was held on March 15, 1957, in Avalon, before Examiner Grant E. Syphers, at which time evidence was adduced and the matter submitted. It is now ready for decision.

At the hearing it was testified that the Catalina All Year Boat Company has no further need for the three vessels it proposes to sell, inasmuch as it desires to amend its existing certificate of public convenience and necessity so that it will be required to operate only on an on-call basis throughout the year. The Catalina Island Steamship Line is obliged to furnish year-round service and the position of applicant was that this service need not be duplicated by the Catalina All Year Boat Company..

The purchase price proposed for the three vessels is \$25,696.61. This price represents the depreciated book value of the vessels as of January 1, 1957. It should be noted that both the seller and the buyer are wholly owned subsidiaries of the Santa Catalina Island Company.

It was further testified that the proposed transferee, the Catalina Island Steamship Line, is able and willing to keep the boats in good repair.

Exhibit No. 1 is a study presented by an engineer of the Commission's staff which sets out a description of the boats and a description of the operations and service being offered by the two companies.

There was no opposition to either proposal.

A consideration of all of the evidence in this record leads us to find that the proposed sale is not adverse to the public interest and, accordingly, it will be authorized. We further find that it will be in the interest of public convenience and necessity to modify the existing certificates of the Catalina All Year Boat Company so that it will be required to operate only on an on-call basis throughout the year.

ORDER

Application as above-entitled having been filed, a public hearing having been held thereon, the Commission being fully advised in the premises and having made findings as above stated,

IT IS ORDERED:

1. That the Catalina All Year Boat Company, a corporation, on or after the effective date hereof, and on or before

July 1, 1957, may sell and transfer to the Catalina Island Steamship Line, a corporation, the motor boats - Jericho, Sportsman, and Streamline - for a consideration of \$25,696.61.

2. That the action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

IT IS FURTHER 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 Catalina All Year Boat Company authorizing the establishment and operation of a service as a common carrier for the transportation of persons and their hand baggage by vessel between Wilmington in the City of Los Angeles and Avalon on Catalina Island and between Long Beach and Avalon on Catalina Island.

2. That the foregoing certificate is granted subject to the following service conditions and regulations:

- a. That the common carrier service herein authorized shall be performed on an on-call year-round basis.
- b. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty days from the effective date hereof.

c. Within sixty days after the effective date hereof, and on one day's 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.

3. This certificate shall be in lieu of and shall replace and supersede applicant's present operating authority.

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

Dated at Los Angeles, California, this 3 day of April, 1957.

[Signature]
 President

[Signature]

[Signature]

[Signature]

[Signature]
 Commissioners