

ORIGINAL

Decision No. 57503

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CLIPPER TRANSPORTATION
CO. INC. FOR AUTHORITY TO ESTABLISH
Pacific Landing as its headquarters and
main terminal in Long Beach.

} Application No. 40316

- Clyde Thomas for applicant.
- Howard Thuet for Avalon Navigation Company,
protestant.
- Henry E. Jordan for the Bureau of Franchises and
Public Utilities of the City of Long Beach,
and Bryan Bayly for Island Boat Service,
interested parties.
- W. F. Hibbard, for the Commission's staff.

O P I N I O N .

By Decision No. 50474, dated August 24, 1954, in Application No. 35550, applicant was given authority "as a common carrier (by boat*) for the transportation of persons and their hand baggage, not in excess of 50 pounds, between Magnolia Pier in Long Beach and Avalon on Catalina Island." This service was ordered to be on a scheduled basis during the season from June 1 to Labor Day each year, and on an "on-call" basis the balance of the year. The boat "Catalina Clipper" was to be used in this service.

By Decision No. 53228, dated June 12, 1956, in Application No. 38112, applicant was given authority to sell the "Catalina

* added.

Clipper" and suspend operations for a period of 90 days from July 2, 1956, provided that it would not resume operations until it established itself on a sound financial basis.

On May 22, 1957, applicant filed an amended tariff, effective June 26, 1957, and resumed business.

By the application herein, filed on July 31, 1958, applicant seeks authority to operate to and from Pacific Landing in Long Beach as well as from the Magnolia Pier therein.

A public hearing on the application was held in Long Beach before Examiner Kent C. Rogers on September 15, 1958, and the matter was submitted.

In support of the application applicant's president testified that conditions have changed since the original authority was granted so that applicant can give better service by operating from Pacific Landing in addition to operating from Magnolia Pier. The changed conditions allegedly began in 1956 with the use of Magnolia Pier as a temporary landing for the United States Navy, followed by an election which authorized the City of Long Beach to expend over five million dollars to enlarge that landing and make it a permanent naval landing. Work began in 1957, and the only facilities thereafter available to applicant were a small ticket booth and a landing float. There was, thereafter, no waiting room nor rest room on the pier, and nothing to draw the public. No business whatever could be produced at the pier.

To meet these conditions, attract more passengers, and give them a service that would develop more business, applicant

made arrangements in June, 1957, with Pacific Landing for its use as a terminal. The primary business at Pacific Landing is catering to sport fishing boats and their normal time of departure and arrival is at entirely different hours than that of the vessels operated by applicant. It has commodious office space and ticket counters, waiting rooms and decks, a cafeteria, coffee shop, novelty shops, and rest rooms, all in one big building, and has ample nearby free parking space. It is kept open 24 hours a day, giving applicant an extremely valuable telephone service. It also has dock hands available if needed to help during the landing and departure of a vessel.

The Avalon Air Transport has its terminal for flying boats, which it operates to Catalina Island, next door to Pacific Landing, thereby increasing the advantage of that location to applicant and directly furnishing applicant a large number of passengers when the planes cannot fly.

The testimony shows that applicant receives many requests for service between Pacific Landing and Catalina Island, as well as for service between Magnolia Pier and Catalina Island.

The proposed service will be provided pursuant to applicant's existing rates, rules and regulations on file with the Commission.

Applicant has one 80-foot 150-passenger diesel-power boat which it leases from David F. Maxwell, its president. Since June 1, 1957, it has been operating to and from both the Magnolia Pier and Pacific Landing. For the use of Magnolia Pier

applicant pays the City of Long Beach 6 percent of its gross income from the herein referred to service less transportation taxes. For the use of Pacific Landing facilities it pays 10 percent of the first \$5,000 per year of the gross revenues from the herein referred to service, plus 7½ percent of all revenues over \$5,000, provided it spends \$2,500 per year for advertising. This proviso has been complied with by applicant since June 1957.

The president of the Island Boat Service presented no evidence, but concurred in the application and stated that its equipment is operating at 47 percent of capacity only.

A representative of Avalon Navigation Company presented no evidence but stated that it received its certificate in May, 1957, for service between Pierpoint Landing and Catalina Island and that the company did not figure on a service from Pacific Landing to Catalina.

Applicant's attorney stated that applicant was operating from Pacific Landing before Avalon Navigation Company commenced service.

Upon the evidence of record it appears, and we find, that public convenience and necessity require that applicant's authority be amended to permit it to pick up and discharge passengers at Pacific Landing, and it will be so ordered.

O R D E R

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

IT IS HEREBY ORDERED that ordering paragraph (1) of the order of Decision No. 50474, dated August 24, 1954, in Application No. 35550, is amended to read as follows:

(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 Clipper Transportation Co., Inc., a California corporation, authorizing the establishment and operation of a service as a common carrier for the transportation of persons and their hand baggage, not in excess of 50 pounds, between Magnolia Pier and Pacific Landing in Long Beach, on the one hand, and Avalon on Catalina Island, on the other hand.

The foregoing authority is subject to the following conditions and service regulations:

- (a) That the common carrier service herein authorized shall be performed on a scheduled basis during the period from June 1 through Labor Day of each year and on an "on-call" basis for the remainder of each year.
- (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 upon 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 3rd day of November, 1958.

C. Lynn Fox
President
Robert E. McMillin
Robert E. McMillin
Matthew J. Palmer
Theodore J. Jensen
Commissioners