

ORIGINALDecision No. 60755

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of AIRPORT SERVICE, INC., for certificate of public convenience and necessity to operate limousine service as a passenger stage corporation of passengers, baggage, express, newspapers and mail between Ontario International Airport, Ontario, California, Pomona, California, Covina, California, West Covina, California, El Monte, California, on the one hand, and Los Angeles International Airport, Los Angeles, California, on the other; also between Ontario International Airport, Ontario, California, on the one hand, and Pomona, California, Covina, California, West Covina, California, and El Monte, California, on the other; to extend the present operations of applicant under existing certificate of public convenience and necessity as a passenger stage corporation of passengers and their baggage between Long Beach, California, and to both Los Angeles International Airport and Lockheed Air Terminal and between Pasadena, California, and Los Angeles International Airport; also, for authority to operate "ON CALL" passenger service for five or more passengers between Ontario International Airport, Ontario, California, and Pasadena, California, and Long Beach, California on a per passenger based rate; also, for authority to change routing under existing permits between Long Beach, California, and Los Angeles International Airport, Los Angeles, California, and Lockheed Air Terminal, Burbank, California.

Application
No. 42006

In the Matter of the Application of AIRPORTTRANSIT, a corporation, for the extension of its certificate of public convenience and necessity as a passenger stage corporation.

Application
No. 42200

John G. Clock, attorney for applicant in Application No. 42006, protestant in Application No. 42200.

Bailey and McWhinney, by Ivan McWhimney, attorneys, for applicant in Application No. 42200, protestant in Application No. 42006.

Musick, Peeler & Garrett, by Charles H. Tillinghast, attorneys, for Los Angeles Metropolitan Transit Authority; Ralston O. Hawkins, attorney, for Bonanza Air Lines, Inc.; protestants in both matters.

F. Bagan, for Los Angeles Airways, Inc., interested party.

Fred G. Ballenger, for the Commission's staff.

O P I N I O N

A public hearing on the above-entitled matters was held in Los Angeles on June 27, 1960, before Examiner Mark V. Chiesa. The applications were consolidated for hearing and decision. Evidence, oral and documentary, having been adduced the matters were submitted for decision. ⁽¹⁾

AIRPORT SERVICE, INC. - Present and Proposed
Operating Authority.

Airport Service, Inc., by Decisions Nos. 56496 and 60336, is authorized, generally, to operate as a passenger stage corporation in the transportation of persons and their baggage or express between (a) Long Beach and Lakewood, on the one hand, and L.A.I.A. and L.A.T., on the other hand, and (b) Pasadena and L.A.I.A.

(1) For brevity, the parties to this proceeding will herein sometimes be referred to as follows: Airport Service, Inc., as Airport Service, Airporttransit, no change, Metropolitan Transit Authority as M.T.A., Bonanza Air Lines, Inc., as Bonanza, and Los Angeles Airways, Inc., as Airways. Los Angeles International Airport will be referred to as L.A.I.A., Ontario International Airport as O.I.A., and Lockheed Air Terminal as L.A.T.

Intermediate points may not be served and passengers must be destined to or originate at said airports, all as more specifically set forth in said decisions.

By Application No. 42006⁽²⁾ Airport Service, Inc., seeks authority to (a) establish a regularly scheduled service between L.A.I.A., on the one hand, and the O.I.A., on the other hand, serving also the intermediate points of El Monte, West Covina, Covina, Pomona, Montclair and Ontario; (b) establish an "on-call" or alternate field service between Long Beach and Pasadena, on the one hand, and the O.I.A., on the other hand; (c) make minor route changes between Long Beach and L.A.I.A. and L.A.T., all as more specifically set forth in said application.

AIRPORTTRANSIT - Present and Proposed
Operating Authority.

Airporttransit, by Decision No. 59259, is authorized, generally, to operate as a passenger stage corporation in the transportation of persons and their baggage between (a) Los Angeles Territory, Hollywood Territory and Beverly Hills, on the one hand, and the L.A.I.A. and L.A.T., on the other hand; (b) West Los Angeles, Santa Monica, Culver City and Inglewood-Hawthorne Territory, on the one hand, and L.A.I.A., on the other hand; (c) Los Angeles Territory, Hollywood Territory and L.A.I.A., on the one hand, and O.I.A., on the other hand; (d) San Fernando Valley Territory, Burbank and Glendale, on the one hand, and L.A.I.A., on the other hand; (e) L.A.I.A. and L.A.T.; and (f) L.A.I.A. and the Hollywood Park Race Track, all as more specifically set forth in said decision.

(2) At the hearing Montclair was added as an intermediate point and minor revisions in schedules and fares were made.

Airporttransit is not authorized to serve points and places intermediate of said territories or cities and the airports, nor is it authorized to serve points and places intermediate of the L.A.I.A. and the O.I.A.

By Application No. 42200, Airporttransit seeks authority to enlarge its present service between (a) the L.A.I.A. and the O.I.A. by serving the intermediate points of El Monte, West Covina, Covina, Pomona and Montclair, including the off-route point of the Los Angeles County Fairgrounds in Pomona, and (b) Glendale and Pasadena, on the one hand, and O.I.A., on the other hand, only on days when O.I.A. is used as an alternate field for L.A.I.A. traffic, all as more specifically set forth in said application.

Briefly summarizing the applicants' proposed extensions and enlargements, insofar as they are conflicting, it appears that Airport Service seeks to establish a new scheduled service between the Los Angeles and Ontario Airports serving also the hereinabove named intermediate points, while, on the other hand, Airporttransit is seeking enlargement of its present certificate between said airports to include service to the said intermediate points. Applicants also propose a nonscheduled alternate field service between Pasadena and the Ontario Airport. Otherwise the two applications are not materially in conflict.

PROTESTANTS.

Bonanza Air Lines, Inc., a Federal certificated air carrier, objects to limousine or bus service between the Los Angeles and Ontario airports on the grounds that it is now operating an airline service between said points, contending that certification

as applied for would be detrimental to its interests in that traffic would be diverted resulting in delayed expansion of its service.

Metropolitan Transit Authority's position in support of its protest is that its present regular bus service between the City of Los Angeles (it has no direct service to the L.A.I.A.) and the City of Ontario and the O.I.A., which includes all the named intermediate points, is adequate and practically continuous and therefore no additional limousine or bus service is required.

Los Angeles Airways, Inc., although not a protestant, sees certification of applicants' proposals as adversely affecting its certificated helicopter service between said airports and intermediate points. This air carrier operates rotary wing aircraft within a radius of 50 of the Los Angeles post offices, including the off-area point of San Bernardino.

The evidence of record shows and we find facts as hereinafter set forth.

Fifteen witnesses, representing cities, chambers of commerce, and large industries situated along the route which applicants propose to use and serve, testified that there is a need for a direct airport transportation service between L.A.I.A. and O.I.A. serving intermediate points. Many employees of defense industries and residents of the named communities now patronize the various airlines operating from said airports. The record further shows that a compensatory operation could be developed in view of the general growth of the area and anticipated increase in air travel. It is clear, however, that there is not sufficient need to support two similar competing operations. The distance between said airports

is approximately 55 miles, and, on the basis of applicants' proposal of ten round trips, the total daily bus mileage would be approximately 1,100 miles. At an estimated operating cost of approximately 40 cents per bus mile,⁽³⁾ it would require, considering the proposed one-way fares of \$3.64, plus tax, (Airport transit) and \$4.55, plus tax, (Airport Service), approximately 5 or 6 one-way passengers per trip in order to meet operating expenses. Both applicants are financially able to maintain the proposed operation for a period long enough to determine its practicability. Except for the indicated fare differential, applicants are proposing very similar service. They propose to use airport-type limousines or buses, operate 3 round-trip schedules between airports and an additional 7 round trips between the named intermediate points and L.A.I.A., and additional service when and as required. The routes are practically the same, the San Bernardino Freeway and Holt Avenue, and convenient pick-up and discharge points are or will be named within each city or community.

Considering the operations and objections of the protestants, the evidence shows that Bonanza now operates two round-trip flights between the said airports, but does not serve any of the intermediate points. Its one-way fare is \$5.45, plus tax. It uses 40-passenger Jet-prop F-27 planes. Bonanza also operates between points in Southern California, Arizona, Nevada and Utah. In

⁽³⁾ One applicant estimated 39.6 cents per bus mile, the other applicant estimated 25 cents plus cost of driver and supervision.

the opinion of the Commission the bus service herein proposed would not be materially competitive but, on the other hand, appears to be advantageous to the protestant as a feeder service for its operations.

Airways operates a helicopter service between the two airports, serving also the intermediate point of Pomona. Its fare between airports is \$7.20, plus tax, and between Pomona and L.A.I.A. it is \$6.36, plus tax. The equipment used is 7-passenger Sikorsky F 55's. It operates only 2 outbound flights from L.A.I.A. to O.I.A., and 4 flights in each direction between L.A.I.A. and Pomona. This carrier may soon be operating larger equipment. It is not a protestant. The Commission finds that applicants' proposed operations are not sufficiently comparable to be objectionable.

M.T.A. operates an extensive bus service in Los Angeles, San Bernardino, Riverside and Orange Counties. One of its lines, No. 60, is operated along the route herein proposed to be used by applicants, and numerous schedules throughout the day are offered. Four of said schedules daily are operated into and out of Ontario Airport. This protestant contends that applicants' proposed service is competitive and that transportation is now available to airline passengers from protestant and other carriers, that is, by an inter-line operation. The evidence shows that protestant has no direct service between the said airports and that an airline passenger boarding an M.T.A. bus at O.I.A. or the said intermediate points must transfer in downtown Los Angeles to an airport bus. The fare between said airports, using M.T.A. service, is \$2.63, including tax, which is a combination of fares and includes \$1.25 for that

portion of the trip furnished by Airporttransit, one of the applicants herein. M.T.A.'s nearest line to L.A.I.A. is No. 51, Los Angeles-Redondo Beach Line. The nearest point of pickup or discharge is at the intersection of Pacific Coast Highway and Century Boulevard, more than one-half mile from the airport facilities. Applicants are not proposing a local service between intermediate points now served by this protestant as passengers must be destined to or originate at one of the airports. We find that airline passengers, often carrying baggage, cannot be adequately and conveniently served by regular bus transportation services which pick up and discharge local passengers en route or by a so-called express service which necessitates a transfer en route.

The Commission having considered the applications and protestants' objections is of the opinion and finds that public convenience and necessity require that applicants establish and operate additional passenger stage services as hereinbelow set forth, and that, except as so authorized, the respective applications will be denied.

Applicants are placed on 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, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled 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

A public hearing having been held, the Commission being fully advised in the premises and having found facts as hereinabove set forth, and that public convenience and necessity so require,

IT IS ORDERED:

(1) That Airport Service, Inc., a corporation, be and it hereby is authorized to establish and operate a service as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, for the transportation of persons and their baggage or express, between points and over routes as more particularly set forth in part (3) of First Revised Page 1, in revision of Original Page 1; Second Revised Page 2, in revision of First Revised Page 2; First Revised Page 3, in revision of Original Page 3; First Revised Page 4, in revision of Original Page 4; and Original Page 5 in Appendix A of Airport Service, Inc., attached hereto and made a part hereof, subject to the conditions and restrictions as set forth in said Appendix A.

(2) That Airporttransit, a corporation, be and it hereby is authorized to establish and operate a service as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, for the transportation of persons and their baggage between the points and over the routes more particularly set forth in paragraphs 7 and 8 of First Revised Page 4, in revision of Original Page 4, and Original Page 5 of Appendix A of Airporttransit, attached hereto and made a part hereof, subject to the conditions and restrictions as set forth in said Appendix A.

(3) That in providing service pursuant to the certificate herein granted, Airport Service, Inc., and Airporttransit shall comply with the following service regulations:

- (a) Within thirty days after the effective date hereof applicants shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicants are placed on notice that they will be required, among other things, to file annual reports of their operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 98 and insurance requirements of the Commission's General Order No. 101-A. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Orders Nos. 98 and 101-A, may result in a cancellation of the operating authority granted by this decision.
- (b) Within sixty days after the effective date hereof, and on not less than ten days' notice to the Commission and the public, applicants shall establish the service herein authorized and file in triplicate and concurrently make effective tariffs and timetables satisfactory to the Commission.

(4) That except as herein authorized, Application No. 42006 and Application No. 42200 be, and they hereby are, denied.

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

Dated at San Francisco, California, this 5th day of SEPTEMBER, 1960.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners

Airport Service, Inc., by certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport persons and their baggage and express (1) between the Cities of Long Beach and Lakewood, on the one hand, and the Los Angeles International Airport and the Lockheed Air Terminal, on the other hand, (2) between the City of Pasadena and the Los Angeles International Airport, and (3) between the Cities of Pasadena and Long Beach, on the one hand, and the Ontario International Airport, on the other hand, subject to the following conditions and restrictions:

- a. no passenger shall be transported whose origin or destination is a point intermediate of the Cities of Long Beach or Lakewood, on the one hand, and the Los Angeles International Airport and Lockheed Air Terminal, on the other hand, or intermediate of the City of Pasadena and the Los Angeles International Airport, or intermediate of the Cities of Pasadena and Long Beach, on the one hand, and the Ontario International Airport, on the other hand, and all passengers shall either be destined to or originate at one of said airports;
- b. no express shall be transported except expedite baggage, mail or newspapers and said express shall be transported on passenger-carrying vehicles and limited to a weight of not more than 100 pounds per shipment;

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- c. passengers shall be picked up or discharged in accordance with local traffic rules, at or near the intersections or points listed in the applications;
- d. when service is rendered on an "on-call" basis, tariffs and timetables of Airport Service, Inc., shall show the conditions under which such "on-call" service will be rendered.

Subject to the authority of the Commission to change or modify such at any time, applicant shall conduct said passenger stage operation over and along the following described routes:

LONG BEACH-LOS ANGELES INTERNATIONAL AIRPORT-
LOCKHEED AIR TERMINAL ROUTE

Beginning at the Wilton Hotel at 210 East Ocean Boulevard in Long Beach, thence along Ocean Boulevard, Linden Avenue to Lafayette Hotel, continuing to Third Street, thence along Third Street to Long Beach Freeway, Long Beach Freeway to Artesia Avenue, East on Artesia Avenue to the Clock Restaurant at Artesia Avenue and Atlantic Avenue, West on Artesia Avenue to Harbor Freeway, Harbor Freeway, Century Boulevard to Los Angeles International Airport, thence along Airport Road, La Tijera Boulevard, Slauson Avenue, La Brea Avenue, Edgewood Place, Highland Avenue, Cahuenga Boulevard-Hollywood Freeway, Barham Road, Olive Avenue and Hollywood Way to Lockheed Air Terminal, and return via same route to the intersection of Long Beach Freeway and Broadway, thence along Broadway, Pacific Avenue, Ocean Boulevard to point of beginning.

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ALTERNATE ROUTE: LONG BEACH-LOS ANGELES
INTERNATIONAL AIRPORT

Beginning at the Wilton Hotel in Long Beach, thence along Ocean Boulevard, Linden Avenue to Lafayette Hotel, continuing to Third Street, along Third Street to Long Beach Freeway to Artesia Avenue, East on Artesia Avenue to Clock Restaurant at Artesia Avenue and Atlantic Avenue, West on Artesia Avenue and 174th Street to Crenshaw Boulevard, Crenshaw Boulevard, Century Boulevard to Los Angeles International Airport. Return via same route to intersection of Long Beach Freeway and Broadway, thence along Broadway, Pacific Avenue and Ocean Boulevard to point of beginning.

SECOND ALTERNATE ROUTE: Long Beach-Los Angeles
International Airport

Between the intersection of Crenshaw Boulevard and Imperial Highway and the intersection of Aviation Boulevard and Century Boulevard, along Imperial Highway and Aviation Boulevard. Said alternate route may be used only when horse races or other special events are held at the Hollywood Park Race Track.

ALTERNATE ROUTE: LONG BEACH-LOCKHEED AIR TERMINAL

From Artesia Avenue at Long Beach Freeway on Long Beach Freeway, Santa Ana Freeway, Hollywood Freeway to Barham Boulevard. Return via same route.

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THIRD ALTERNATE ROUTE: LONG BEACH-LOS ANGELES
INTERNATIONAL AIRPORT

Beginning at the Wilton Hotel in Long Beach, thence along Ocean Boulevard, Linden Avenue to Lafayette Hotel, continuing to Third Street, along Third Street, Pacific Avenue, Pacific Coast Highway (U.S. Alternate Highway 101), Sepulveda Boulevard, Century Boulevard to Los Angeles International Airport. Return via same route to the intersection of Pacific Avenue and Third Street, thence along Pacific Avenue and Ocean Boulevard to point of beginning.

SHUTTLE SERVICE ROUTE BETWEEN LONG BEACH
MUNICIPAL AIRPORT, LAKEWOOD AND INTERSECTION
OF ATLANTIC AVENUE AND ARTESIA AVENUE

Beginning at Long Beach Municipal Airport in Long Beach, along Lakewood Boulevard to Hody's Restaurant at the intersection of Lakewood Boulevard and Candlewood Street, continuing along Lakewood Boulevard to South Street, along South Street and Atlantic Avenue to the intersection of Atlantic Avenue and Artesia Avenue. Return via the same route to point of beginning.

PASADENA-LOS ANGELES INTERNATIONAL AIRPORT ROUTE

Beginning at the Green Hotel at Fair Oaks Avenue and Green Street in Pasadena, thence along Green Street, Arroyo Seco, California Street, Los Robles Avenue, Glenarm Street, El Molino Avenue, Elliott Drive, Oak Knoll Avenue to Huntington-Sheraton Hotel, thence along Oak Knoll Avenue, Elliott Drive, El Molino Avenue, Glenarm Street, Arroyo Seco Parkway, Harbor Freeway, Century Boulevard to Los Angeles International Airport. Return to Pasadena along previously described route.

ALTERNATE PASADENA ROUTE

Along Arroyo Seco Parkway between Green Street and Glenarm Street.

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PASADENA-ONTARIO INTERNATIONAL AIRPORT ROUTE

Beginning at the airline passenger terminal at Ontario International Airport, thence along Vineyard Avenue to the San Bernardino Freeway, thence along San Bernardino Freeway to Azusa Avenue in West Covina, thence along Azusa Avenue to Foothill Boulevard, thence along Foothill Boulevard, Huntington Drive to Colorado Place, thence along Colorado Place, Colorado Street to Lake Avenue, thence along Lake Avenue, Oak Knoll Circle and Oak Knoll Street to the Huntington-Sheraton Hotel at Oak Knoll Street and Pinehurst Drive in Pasadena.

LONG BEACH-ONTARIO INTERNATIONAL AIRPORT ROUTE

Beginning at the airline passenger terminal at Ontario International Airport, thence along Vineyard Avenue to the San Bernardino Freeway, thence along San Bernardino Freeway to Atlantic Avenue in Monterey Park, thence along Atlantic Avenue to the Long Beach Freeway, thence along Long Beach Freeway to Broadway Street in Long Beach, thence along Broadway, Pacific Avenue and Ocean Boulevard to the Wilton Hotel.

Applicant is authorized to turn its motor vehicles at termini and intermediate points, in either direction, at intersections of streets, or by operating around a block contiguous to such intersections, or in accordance with local traffic rules.

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7. between the Los Angeles International Airport, on the one hand, and the Ontario International Airport, on the other hand, including service to and from said airports and the intermediate points of El Monte, West Covina, Covina, Pomona, Montclair and Ontario and the off-route points of the Los Angeles County Fairgrounds; and
8. between the City of Glendale, on the one hand, and the Ontario International Airport, on the other hand.

The authority herein granted is subject to the following conditions and restrictions:

- a. Motor vehicles may be turned at termini or intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- b. Only airline passengers, airline employees, employees of the Department of Airports of the City of Los Angeles, and the Department of Airports of the City of Ontario and their baggage, shall be transported.
- c. Passengers shall be picked up and discharged only at points and places to be named in applicant's tariff and situated within the territories and cities hereinabove named.
- d. Hollywood Park Race Track service shall be rendered only on days when thoroughbred and harness races are scheduled.

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- e. When service is rendered on an "on-call" basis, tariffs and timetables of Airporttransit shall show the conditions under which such "on-call" service will be rendered.
- f. Subject to the authority of this Commission to change or modify such passenger stage operation at any time, Airporttransit shall conduct said operation over and along the most direct or appropriate route or routes, subject, however, to local traffic regulations.

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