

ORIGINALDecision No. 60781

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of AVALON NAVIGATION CO.,)
 a California Corporation, to extend)
 its service. }

Application No. 42341

Howard Thuet and Leslie Thuet, for Avalon Navigation Company, applicant.
Gibson, Dunn & Crutcher, by Max Eddy Utt, for Santa Catalina Island Company and Island Boat Service, protestants.
W. F. Hibbard, for the Commission staff.

O P I N I O N

Avalon Navigation Company operates as a common carrier by vessel of passengers and property between Pierpoint Landing in Long Beach and Avalon on Santa Catalina Island. It provides daily passenger service during the period June 15 to September 15 of each year and "on-call" service for the remainder of the year. It is also authorized to transport property on an "on-call" basis between October 16 and April 15. By this application, filed June 13, 1960, authority is sought to transport passengers and freight between Avalon and various coves situated north of Avalon on the coast of Santa Catalina Island as far as Emerald Bay, and also to tour south around the tip of the island as far as Santa Verde Point. By amendment, filed July 15, 1960, applicant also seeks to extend its freight service between Long Beach and Avalon to an all-year basis.

After due notice to interested parties a public hearing on the application was held before Examiner William E. Turpen on July 26, 1960, at Avalon. The Santa Catalina Island Company opposed the granting of the application.

At present applicant operates its 250-passenger motor ship "Magic Isle" from Long Beach daily, arriving at the Pleasure Pier in Avalon about noon, and leaving Avalon for the return trip at about 4 p.m. The vessel is now idle during the four hours it is at Avalon, and according to applicant's president the company desires to make use of the boat during this period. According to the application, service would be rendered as traffic requires. However, the president testified at the hearing that the service to points north of Avalon would be rendered daily whether or not there were passengers or freight. This, however, conflicts with his statement that the sight-seeing tour south would be substituted for the trip northward when there was a demand for such trips, as either trip would take most of the four-hour layover period at Avalon.

In support of the proposed service along the coast, applicant's president offered in evidence letters from directors of two camps located at coves along the Island coast. In essence, these letters indicated no more than a possible interest in applicant's proposal. The witness also testified that he has had requests to furnish trips along the proposed route for sightseeing. Upon cross-examination it was developed that the witness could not estimate how much business would be developed and that he had made no study as to the cost of providing the service, although he said the cost would be about \$15 per day. It also was developed that none of the coves have piers large enough to berth applicant's vessel. The witness refused to explain how applicant planned to receive and discharge passengers and freight at any of these points.

An official of the Santa Catalina Island Company testified that, in the opinion of his company, applicant's proposed service is not needed and that the various coves now receive adequate service.

by means of subsidiary companies of the Island Company. He also explained that all of the island outside the city limits of Avalon is owned by the Island Company and that a permit from the Island Company is required to land or discharge passengers or freight at any point on the island outside the City of Avalon. Upon being asked, the Island Company official stated that such a permit would not be granted to applicant.

In regard to the proposal to transport freight from Long Beach to Avalon between April 15 and October 16, applicant's president offered in evidence letters from a hotel and a gift shop located in Avalon expressing interest. The president said that he felt there was a need for the service.

The record shows that at the present time freight is transported to the island two or three times a week by trailers loaded on a barge, and packages are brought in several times a day by air. The record also shows that, although applicant is authorized to transport freight from October 16 to April 15, it has not carried any freight. The Mayor of the City of Avalon testified that the City Council opposes the proposed freight service and intends to take steps in the future to stop freight being handled over Pleasure Pier, where applicant docks.

Applicant has not shown that a need exists for its proposed service. Furthermore, we cannot tell from the record what the cost of applicant's proposed operation would be, or if applicant would receive sufficient revenues to meet the cost. Also, applicant has left us in the dark as to how it intends to serve the various coves and inlets along the coast. We are, therefore, of the opinion and find that it has not been shown that public convenience and necessity

require the transportation services sought in this application. The application will be denied.

ORDER

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

IT IS ORDERED that Application No. 42341 be and it is hereby denied.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 27th day of SEPTEMBER, 1960.

[Signature]
President

[Signature]

[Signature]

[Signature]

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Commissioners