SW/WD*

Decision No.

61934

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's) own motion into the operations,) practices and status of CATALINA) CHANNEL AIRLINES, INC., a Califor-) mia corporation.

Case No. 7012

a.,4

Robert J. Hanley, for the respondent. <u>Henry E. Jordan</u> and <u>Thomas A. Raffety</u>, for the City of Long Beach; and <u>W. B. von Kleinsmid</u>, for Avalon Air Transport, Inc., interveners. <u>Hector Anninos</u>, for the Commission staff.

<u>O P I N I O N</u>

On November 15, 1960, the Commission issued its Order Instituting Investigation into the operations, practices and status of Catalina Channel Airlines, Inc., to determine (1) whether respondent operates as a transportation company and common carrier within the meaning of Article XII of the Constitution of the State of California, and (2) whether respondent should be required to file with this Commission a tariff showing rates for the transportation of persons and property between Long Beach and Santa Catalina Island.

A public hearing on the investigation was held in Los Angeles before Examiner Kent C. Rogers on February 16, 1961, at the conclusion of which the matter was submitted subject to the filing of concurrent briefs on or before March 7, 1961. By order of the Commission the period to file briefs was continued to and including March 17, 1961. On March 17, 1961, a brief was filed

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by the Commission staff. No brief has been filed by the respondent. The matter is therefore submitted.

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From the evidence herein it appears, and we find, that respondent is transporting passengers and property by airplane on scheduled flights between Long Beach and Catalina Island, both in California; that said flights are directly between said points by a route over the intervening waters and are not over any other state, country or territory; that respondent provides a scheduled service; that as compensation for said service it assesses and collects a one-way fare of \$5.98 for an adult, \$3.10 for a child, plus a 10 percent federal tax, and three cents per pound for freight; that this service is available to any person or shipper; that it sovertises seven scheduled flights in each direction daily between Long Beach and Catalina Island (Exhibit No. 5); that on October 19, 1960, each of the scheduled flights arrived and departed at approximately the advertised times (Exhibit No. 7); that respondent sold tickets to the Commission's investigators for transportation in each direction (Exhibit No. 4); that pursuant to said tickets said investigators were transported in respondent's planes between Long Beach and Catalina Island and return; that on October 13, 1960, respondent advertised passenger transportation service by airplane between Long Beach and Cataline Island in the Catalina Islander, a newspaper published in Avalon, Catalina Island (Exhibit No. 1); and that respondent advertises said services in the classified telephone directories in the City of Avalon (Exhibit No. 2) and in Los Angeles County (Exhibit No. 3).

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The records of this Commission further show that respondent has no tariffs on file showing the schedule of rates and charges for the services described.

The president of the defendant corporation, Robert J. Hanley, who is also the sole owner thereof, testified he does not object to filing a tariff. It was his opinion that respondent is not a common carrier and is not required to comply with this Commission's General Order No. 105-A, Rules Governing the Form and Filing of Tariffs Issued by Air Transportation Companies.

The State of California includes Santa Catalina Island (Constitution, Article XXI, Section 1) and the waters between that island and the mainland (Section 170, Government Code).

Upon consideration of the evidence herein we find and conclude that respondent is a transportation company within the meaning of Sections 20 and 22 of Article XII of the California Constitution, (<u>Reople vs. Western Air Lines, Inc.</u>, 42 Cal. 2d, 621); that it is a common carrier as defined in Section 17 of Article XII of the Constitution; that it is an air transportation company as defined in General Order No. 105-A; and that it is required to file a tariff showing its rates for the transportation of persons or property.

Catalina Channel Airlines, Inc., will be ordered to cease and desist the transporting of persons or property by air between the mainland of California and Santa Catalina Island, California, unless and until it shall comply with General Order No. 105-A.

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<u>ORDER</u>

The Commission having commenced an investigation into the operations, practices and status of Catalina Channel Airlines, Inc., a public hearing having been held thereon, the Commission having made the foregoing findings and conclusions, and based thereon,

IT IS ORDERED that Catalina Channel Airlines, Inc., shall cease and desist transporting passengers or property for compensation between Santa Catalina Island, California, and the mainland of California, unless and until it shall have filed with the Commission a tariff showing its rates for the transportation of persons or property between said points.

The Secretary of the Commission is directed to cause service of this order to be made on the respondent corporation, Catalina Channel Airlines, Inc. This order shall become effective twenty days after such service on the respondent corporation.

Dated at _____ San Francisco___, California, this ____ day of May, 1961.

ommissioner