

ied

ORIGINAL

Decision No. 68622

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MATSON NAVIGATION)
COMPANY for a Certificate of)
Public Convenience and Necessity)
to Carry Passengers, Passengers')
Luggage, and Passengers' Auto-)
mobiles by Water Between San)
Francisco and Los Angeles.)

Application No. 47218
(Filed December 29, 1964)

David F. Anderson, for applicant.

O P I N I O N

This application was heard before Examiner Power at San Francisco on February 5, 1965, on which date it was submitted. Copies of the application were served in accordance with the Commission's procedural rules. There were no protests.

Applicant does not operate between points on the inland waters of California. It does operate over the high seas between San Francisco and Los Angeles as an incident of its service between California and Hawaii.

Applicant presently has no intrastate authority between San Francisco and Los Angeles. Applicant requests such authority between these two points to carry passengers, their baggage and their automobiles (where checked as baggage and traveling with the passenger).

Thirteen exhibits, an operating witness and seven public witnesses were offered in support of the application. The witnesses were primarily interested in the pleasure trip or recreational aspect of the service. Several of the witnesses pointed to the fact that there is presently no vessel service available up and down the California coast.

The lack of protest from the land carriers underlines the fact that diversion of traffic from existing carriers will be negligible. The service will be operated as an incident of the offshore service and relatively infrequently. There will probably be nine southbound and six northbound trips in 1965.

Rates will vary from \$45 to \$155 depending on type of accommodation and number in the room.

Matson would like to institute this service with a southbound voyage on March 23, 1965. For this reason, and in the absence of protest, the following order will be made effective ten days after its date and tariff filings will be allowed on ten days' notice.

The Commission finds that:

1. Applicant possesses the experience, equipment, personnel and financial resources to institute and maintain the proposed service.

2. Public convenience and necessity require that the application be granted as set forth in the ensuing order.

The Commission concludes that the application should be granted as provided by the following order.

Matson Navigation Company is hereby 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

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Matson Navigation Company, a corporation, authorizing it to operate as a common carrier by vessel, as defined in Sections 211(b) and 238 of the Public Utilities Code, between the points and over the routes more particularly set forth in Appendix A attached hereto and made a part hereof.

2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with and observe the insurance requirements of the Commission's General Order No. 111-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 Order No. 111-A, may result in a cancellation of the operating authority granted by this decision.
- (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- (c) The tariff and timetable filings shall be made effective not earlier than ten days

after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.

- (d) The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 87 and 117.

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

Dated at San Francisco, California, this 16th day of FEBRUARY, 1965.

Franklin B. Holtzoff
President
Walter L. Fletcher
George F. Hoover
Angela
William A. Seaman
Commissioners

ied

Appendix A

Matson Navigation Company
(a corporation)

Original Page 1

Matson Navigation Company, a corporation, by the certificate of public convenience and necessity granted in the decision noted in the margin is authorized to transport passengers, passengers' baggage and passengers' automobiles when accompanying passengers as checked baggage between San Francisco, California, and Los Angeles, California.

Issued by California Public Utilities Commission.

Decision No. 68622, Application No. 47218.