

ORIGINALDecision No. 69132

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of DAVEY'S LOCKER, INC., a)
California corporation, to have)
transferred to it a Certificate)
of Public Convenience and)
Necessity to transport passengers)
between Newport Beach and Avalon,)
which certificate was granted to)
Island Transportation Company.)

Application No. 47305

Dennis E. Carpenter, for applicant.
Robert W. MacMahon, for Island Transportation
Company, protestant.
Fred Ballenger, for the Commission staff.

O P I N I O N

Davey's Locker, Inc. requests authority to acquire a certificate of public convenience and necessity authorizing the transportation of passengers by vessel between Newport Beach and Avalon, Santa Catalina Island during the summer months. A public hearing was held before Examiner Daly at Los Angeles on April 22, 1965, and the matter was submitted.

The certificate of public convenience and necessity was issued to Island Transportation Company by Decision No. 48700, dated June 9, 1953, as amended by Decision No. 51067, dated February 1, 1955, and Decision No. 60706, dated September 6, 1960.

As the result of a tax lien the certificate of public convenience and necessity was sold on November 10, 1964, by the Internal Revenue Service, U.S. Treasury Department, to Davey's Locker as the highest bidder for the sum of \$4,400. The sale was made subject to the approval of this Commission. At the present time Island Transportation Company is still insolvent with outstanding

indebtedness amounting to \$15,000. According to its president, Island Transportation Company has received financial commitments to offset this indebtedness; however, said commitments are contingent upon retention of the certificate.

Davey's Locker, Inc. has been engaged in the business of sport fishing for the past ten years. It maintains extensive facilities at Newport Beach including a large dock, restaurant, tackle store, storage facilities and parking area. It also owns and operates six 65-foot sport-fishing vessels. To provide the passenger service applicant proposes to use an 85-foot converted coast guard cutter, which will accommodate approximately 150 passengers. The vessel is in the process of conversion and it is expected that it will be completed by the first part of June. The conversion plans have been submitted to the United States Coast Guard along with an application for a certificate of safety. The vessel will be manned by an experienced crew. One of applicant's captains from its present fleet will be placed in charge. Each captain is certificated by the United States Coast Guard.

Applicant proposes to operate a single round trip daily commencing June 15 each year and continuing to September 15. The proposed round-trip fare is \$9.50, which is higher than the \$6.82 and \$3.42 charged by Island Transportation Company for adults and children, respectively. According to applicant the increase is necessary if the operation is to be conducted at a profit and, in the public interest, with the maximum in preventive maintenance and safety precautions.

As of December 31, 1964, applicant indicated a net worth in the amount of \$138,327.56.

After consideration the Commission finds:

1. The certificate of public convenience and necessity issued to Island Transportation Company became the subject of a lien for

taxes and was sold by the Internal Revenue Service, U. S. Treasury Department, to Davey's Locker, Inc., subject to approval of this Commission.

2. Davey's Locker, Inc. has been engaged in the sport fishing business. It has the necessary equipment, trained personnel and financial ability to provide the proposed service.

3. Island Transportation Company does not possess the necessary financial ability to provide service.

4. The proposed transfer would not be adverse to the public interest and the proposed increases in fares are justified, except that the fare for children should not exceed one half of the adult fare.

The authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred.

ORDER

IT IS ORDERED that:

1. On or before December 1, 1965, Davey's Locker, Inc. is authorized to acquire the operative rights referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, Davey's Locker, Inc. shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which has been executed to effect said transfer.

3. Davey's Locker, Inc. shall file tariffs and timetables with the Commission, naming rates and rules governing the common carrier operations herein involved. 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 consummation of the transfer herein authorized. The tariff and timetable filings made pursuant to this order shall comply in all respects 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 five days after the date hereof.

Dated at San Francisco, California, this 25th day of MAY, 1965.

President
John E. Nitchell

George L. Trover

August

Commissioners
Commissioner Frederick B. Holoboff, being necessarily absent, did not participate in the disposition of this proceeding.
Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

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