

ORIGINAL

Decision No. 71896

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Application No. 48640
(Filed July 18, 1966)

Ivan McWhinney, for applicant.
James H. Lyons, for Airport
Service, protestant.
Robert W. Russell, by K. D.
Walpert, for City of Los
Angeles, interested party.
William R. Kendall, for the
Commission staff.

O P I N I O N

This application was heard before Examiner DeWolf at Los Angeles on October 31, 1966, on which date it was submitted. Copies of the application and the notice of hearing were served in accordance with the Commission's procedural rules. The protestant is Airport Service, Inc., and the City of Los Angeles Department of Public Utilities and Transportation appeared as an interested party.

Applicant is a passenger stage corporation, engaged in the transportation of passengers and employees of airlines and airports between Los Angeles, San Bernardino, Redlands, Riverside and intermediate points and to the airports named in Decisions Nos. 59259, 60755, and 68619, and requests authority to extend its service between the Los Angeles and Ontario International Airports to include the City of Alhambra, and to provide on-call service between Los Angeles and Hollywood Territories and the Van Nuys Airport. Points

of service within the city will be named in its tariff; initially the only point in Alhambra will be the Alhambra Valley Bowl and in the Los Angeles and Hollywood Territories; the points serviced will be the Biltmore Hotel, the Statler Hotel, and the Hollywood Roosevelt Hotel.

Applicant's present certificate of public convenience and necessity provides that passengers shall be picked up and discharged only at points and places to be named in applicant's tariff and situated within applicant's authorized service area. The proposed service of applicant between the City of Alhambra and the Los Angeles International and the Ontario International Airports, and between the Los Angeles and the Hollywood Territories, on the one hand, and the Van Nuys Airport, on the other hand, will be rendered subject to such provision.

The fare proposed to be charged by applicant for its service will be \$2.25 one way for each adult. The proposed fare for children from five years to twelve years of age between points in the City of Alhambra and the Los Angeles and the Ontario International Airports will be one-half of said adult fare and children under five years of age will be transported without charge. No reduced fares are proposed for the Los Angeles and Hollywood Territories. The rules and regulations governing the application of said fares will be the same as those published in applicant's tariff presently on file with the Commission.

The on-call service between the Los Angeles and Hollywood Territories and the Van Nuys Airport will be subject to

minimum of five adult fares. The application alleges that requests for the service have been received from the public and from the airlines and hotels in the area. The service involving the City of Alhambra is adding another stop to applicant's current Los Angeles-Ontario operation, with intermediate pickup and discharge points at El Monte, Covina, West Covina, Pomona and Montclair. This service will be restricted to passengers originating at or destined to one of the airports.

The managing director for applicant's sales and service testified and described applicant's present and proposed service and the equipment to be used as follows: buses used are Flexible 33 to 45-passenger, of which the company has 24; and 6 GMC 14-passenger stretchout buses and some station wagons. The witness stated that the proposed service to Van Nuys Airport will be on call with two hours' notice and subject to a minimum charge for five passengers, and that the Alhambra service would be a scheduled part of applicant's existing service in that direction and would be initiated by a regular stop at the Alhambra Bowl, 1400 W. Valley Boulevard and New Avenue. He also testified that he had received requests from numerous travel agencies in the areas for the service and assurances that it would be patronized, and that several airlines had requested the proposed service and described plans for advertising availability of the proposed service.

Exhibit 1 introduced by applicant is its schedule and fare information sheet. The proposed Alhambra stop is to be added to this schedule.

Four public witnesses (a transportation committee member of a Chamber of Commerce, a travel agency representative, and two airline representatives) testified that the proposed service was needed and would be used.

The protestant opposed only the applicant's proposed stop at Alhambra Bowl on Valley Boulevard, and upon the ground its witness testified that it would divert passengers away from the service it provides at the Huntington Hotel in Pasadena.

Exhibit 2 is the schedule of existing rates and route information of protestant's service.

A witness for protestant testified that it operates 19 round trips daily from its stop in Pasadena to the Los Angeles International Airport; that it caused a survey to be made of its passengers, from September 9 to October 2, 1966, by distributing to approximately 10,000 passengers during said time, a card identical to its Exhibit 3; that 5,099 cards were returned as requested, and that the results of said survey were analyzed in Exhibit 4. Exhibits 5 and 6 are comparison schedules of applicant and protestant with the estimated number of passengers per day from Alhambra based on the survey and show that in the totals for June, 1966, Exhibit 6, there were 2.55 passengers leaving and 2.07 passengers arriving, and for the month of September, Exhibit 5, there were 2.26 passengers leaving and 2.03 passengers arriving from Alhambra.

Protestant operates two regular schedules, one from a point of pick-up at the Huntington-Sheraton Hotel in Pasadena, and the other from Holy's Restaurant in Lakewood, and other points in the Long Beach area, all to the Los Angeles International Airport. Protestant's position is that granting applicant authority to stop in Alhambra will take passengers from its regular schedules leaving

from Pasadena and that these passengers will come from territory within its operating authority.

Findings of Fact

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

2. Applicant's proposed service will place more convenient and efficient transportation facilities within the area it proposes to serve. Applicant's proposed service traverses a route and pickup points that are materially different from the route and pickup points offered by the protestant.

3. Applicant's proposed service will draw upon a segment of the traveling public that would not normally utilize the protestant's service from Pasadena. Applicant's proposed service will not be likely to reduce patronage of the protestant.

4. Applicant's proposed service to the City of Alhambra will not be within a territory already served by the protestant.

The Commission, having considered the matter, finds that public convenience and necessity require that the proposed service be established and concludes that the application should be granted as set forth in the ensuing order.

Applicant 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

IS IS ORDERED that:

1. A certificate of public convenience and necessity is hereby granted to Airporttransit, a corporation, authorizing it to operate as a passenger stage corporation as defined in Section 226 of the Public Utilities Code, for the transportation of passengers and their baggage between the points and over the routes particularly set forth in First Revised Page 3 and Sixth Revised Page 4, attached hereto, as an extension and enlargement of, consolidation with and subject to all the limitations and restrictions set forth in the certificate granted by Decision No. 59259.

2. Appendix A of Decision No. 59259, as heretofore amended, is further amended by incorporating therein First Revised Page 3 and Sixth Revised Page 4, attached hereto, in revision of Original Page 3 and Fifth Revised Page 4.

3. 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. Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-A and insurance requirements of the Commission's General Order No. 101-B. Failure to comply with and observe the safety rules or the provisions of General Orders Nos. 98-A or 101-B, 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. 79 and 98-A.
- (e) Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 20th day of JANUARY, 1967.

[Signature]
President

[Signature]

[Signature]

[Signature]

Commissioners

Commissioner WILLIAM SYMONS, JR. did not participate in the disposition of this proceeding.

Section 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

The certificate hereinafter noted supersedes all operative authority heretofore granted to Airport Transit.

Airport Transit, by certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport persons and their baggage:

1. between the Los Angeles and Hollywood territories, as said territories are hereinafter described, and the City of Beverly Hills, on the one hand, and the Los Angeles International Airport and the Lockheed Air Terminal, on the other hand;
2. between the West Los Angeles and Inglewood-Hawthorne territories, as said territories are hereinafter described, and the Cities of Santa Monica and Culver City, on the one hand, and the Los Angeles International Airport, on the other hand;
3. between the Los Angeles and Hollywood territories, as said territories are hereinafter described, and the Los Angeles International Airport, on the one hand, and the Ontario International Airport, on the other hand;
4. between the San Fernando Valley territory, as said territory is hereinafter described, and the Cities of Burbank and Glendale, on the one hand, and the Los Angeles International Airport, on the other hand;
5. between the Los Angeles International Airport and the Hollywood Park Race Track;
6. between the Los Angeles International Airport and the Lockheed Air Terminal;
- * 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 Alhambra, El Monte, West Covina, Covina, Pomona, Montclair and Ontario and the off-route points of the Los Angeles County Fairgrounds;

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* Changed by Decision No. 71896, Application No. 48640.

8. between the City of Glendale, on the one hand, and the Ontario International Airport, on the other hand;
9. between the City of Commerce, on the one hand, and the Los Angeles International Airport, on the other hand;
10. between the Cities of San Bernardino, Redlands, Riverside, and Fontana, on the one hand, and the Ontario International Airport, and Los Angeles International Airport, on the other hand. Express may also be transported between these points;
11. between the Los Angeles Territory as hereinafter described, on the one hand, and the Steamship Docks located in the Cities of Los Angeles and Long Beach, on the other hand;
12. between the Los Angeles and Hollywood Territories as hereinafter described, on the one hand, and Anaheim Stadium, on the other hand;
- * 13. between the Los Angeles and Hollywood territories, as said territories are hereinafter described, on the one hand, and the Van Nuys Airport on the other hand.

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

All service except Routes Nos. 1 and 2:

- 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 and steamship passengers and 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.

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* Added by Decision No. 71896, Application No. 48640.