

**ORIGINAL**

Decision No. 73310

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.

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) Application No. 49406  
) (Filed May 25, 1967)  
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Ivan McWhinney, for applicant.  
R. W. Russell, by K. D. Walpert,  
for the 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 Rogers at Los Angeles on September 21, 1967 on which date it was submitted. Copies of the application and of the notice of hearing were served in accordance with the Commission's procedural rules. There were no protests.

Applicant is a passenger stage corporation, engaged in the transportation of passengers and employees of airlines, airports, steamships, and employees of the Departments of Airports of the City of Los Angeles and Ontario. It requests authority to extend its service between the Los Angeles and the Hollywood Territories as defined in its tariff, on the one hand, and Palmdale Airport on the other hand.

Applicant's present certificate provides that passengers shall be picked up and discharged only at points and places to be named in its tariff and situated within the territories and cities authorized to be served by applicant. The proposed service will be rendered subject to such provision.

The fare to be charged by applicant for service between the Los Angeles and Hollywood Territories, on the one hand, and the Palmdale Airport, on the other hand, will be \$5.00 one way for each passenger. The rules governing the application of said fare will be the same as those published in applicant's tariff presently on file with the Commission.

The proposed service will be rendered on an "on call" basis. Requests for service shall be made by passengers two hours prior to the time the service is desired and any service rendered pursuant to such request will be subject to a minimum charge of five fares per trip.

The application alleges that applicant has been requested to provide the proposed service by various airlines serving the Los Angeles area; that such airlines use the Palmdale Airport as an alternate field when the Los Angeles International Airport and the Ontario International Airport are closed because of inclement weather or congested traffic conditions; that public transportation of the type proposed by applicant is not presently available to or from the Palmdale Airport; and that it is required by the airlines serving the Los Angeles area and by the passengers of such airlines.

The manager of the passenger service department of United Airlines testified that said company wants the proposed service available when the Los Angeles or Ontario Airports cannot be used due to weather conditions.

The Director of Economic Development for the City of Palmdale testified that the Palmdale Airport will be open to all size planes 361 to 362 days a year; that a terminal building for passengers is to be constructed; that the City supports the application; and that it is urgent that surface transportation be provided between the Palmdale Airport and the Los Angeles area.

Applicant alleges that it owns and operates in its present service late model passenger vehicles ranging between station wagons, cadillacs, and 41-passenger Flexible buses and that such vehicles will be available for use in the proposed service.

Applicant further alleges that it has the financial ability to render the proposed service. Exhibit B attached to the application shows that as of April 30, 1967 applicant's current assets were valued at \$1,306,727 and its current liabilities were \$1,009,941. Exhibit C attached to the application shows that for the period of January 1 to April 30, 1967 applicant's net income, before federal income taxes, was \$114,498.

#### Findings

The Commission finds that:

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

2. The proposed service will not compete with any similar carrier.

3. Public convenience and necessity require that applicant establish the proposed service.

Conclusion

The Commission concludes that the application should be granted.

Airporttransit, a corporation, 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 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 Seventh 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 Seventh Revised Page 4 attached hereto in revision of Sixth 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 twenty days after the date hereof.

Dated at San Francisco, California, this 7<sup>th</sup> day of NOVEMBER, 1967.

[Signature]  
President  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
Commissioners

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.
- \*14. between the Los Angeles and Hollywood territories, as said territories are hereinafter described, on the one hand, and the Palmdale 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, the Department of Airports of the City of Ontario and the Palmdale Airport, 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.

Issued by California Public Utilities Commission.

\* Added by Decision No. 73310, Application No. 49406.