

ORIGINALDecision No. 74687

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION OF VICTOR LEE WATER
TRANSPORTATION CO., INC., FOR
AUTHORITY TO OPERATE A BOAT
SERVICE FROM PUBLIC LANDING,
SAN PEDRO, TO MARINELAND, AND
FOR AUTHORITY TO ISSUE STOCK.

Application No. 50370
(Filed July 2, 1963)

O P I N I O N

Victor Lee Water Transportation Co., Inc., requests authorization to institute and conduct operations as a common carrier by vessel for the transportation of persons and their baggage between Marineland Pier and San Pedro, and to issue 27,250 shares of common stock having a par value of \$1.00 per share to the following persons:

Frank Hubaty	9,084 shares
Victor R. Hubaty	9,083 shares
Leroy T. Hubaty	9,083 shares
Total	<u>27,250 shares</u>

On March 31, 1961, Frank E. Hubaty, doing business as Victor Lee Boat Company, transferred all of the assets of the boat company to applicant to assure the continuity of the business in the event of his death.

Applicant presently does not possess any authority to transport persons or property for compensation between points upon inland waters of California or upon the high seas between points within California, but applicant is presently performing an exempt circular tour service originating and terminating at the Marineland Pier.

Applicant alleges that there are no other common carriers operating on this route or in the immediate vicinity, and that copies of this application have been mailed on this date to Board of Supervisors, County of Los Angeles, and City Council City of Los Angeles.

Applicant proposes to establish and operate a boat service route for the public from Public Landing, San Pedro, to Marineland via Main Channel, passing San Pedro Light and Point Fermin, and then proceeding for the balance of the trip on a course of 279 degrees to Marineland Pier with no stops. An alternate scenic route will be from starting point in Main Channel to Cabrillo Beach, passing San Pedro Light. The trip will be approximately 12 miles. Initial service will be one round trip per day between June 1 and October 1; during the remainder of the year service will be rendered on Saturdays, Sundays and Holidays.

The proposal is to utilize three diesel-powered 50-foot boats, designated Victor Lee II, Wave, and Liberty, each certified for transportation of passengers by the United States Coast Guard.

Fare for the proposed service is \$1.00 per passenger one way.

Applicant's financial statement dated April 30, 1968, lists total assets of \$87,623.85, and its income statement shows income of \$17,837.50 for the period January 1, 1968 to April 30, 1968.

The Commission staff has reviewed the application and has recommended the application be granted. No protest has been received.

After consideration the Commission finds as follows:

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.
3. The money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purposes specified herein, and such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

A public hearing is not necessary.

Victor Lee Water Transportation Co., Inc., 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.

In issuing our order herein, we place applicant and its shareholders on notice that we do not regard the number of shares outstanding, the total par value of the shares nor the dividends paid as measuring the return applicant should be allowed to earn on its investment in plant and that the authorization herein given is not to be construed as a finding of value of applicant's stock or properties nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Victor Lee Water Transportation Co., Inc., 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 particularly set forth in Appendix A attached hereto and made a part hereof.

2. Victor Lee Water Transportation Co., Inc., on or after the effective date hereof and before January 1969, may issue 27,250 of its shares substantially in the manner and for the consideration as hereinabove set forth, and shall file with the Commission a report, or reports as required by General Order No. 24-A which order insofar as applicable is made a part of this order.

3. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- (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 insurance requirements of the Commission's General Order No. 111-A.
- (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.
- (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 17th day of SEPTEMBER, 1968.

William Symons, Jr.
President
John E. Bickell
William W. Bickell
Augusta E. Bickell
John P. Morrissey
Commissioners

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Appendix A

Victor Lee
Water Transportation Co., Inc.

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CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY

Showing vessel common carrier operative rights, restrictions,
limitations, exceptions, and privileges applicable thereto.

All changes and amendments as authorized by the Public Utilities
Commission of the State of California will be made as revised
pages or added original pages.

Issued under authority of Decision No. 74687, dated
September 17, 1968, of the Public Utilities Commission
of the State of California, in Application No. 50370.

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Appendix A

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Water Transportation Co., Inc.

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

Victor Lee Water Transportation Co., Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport persons by vessel between (1) Marineland Pier, on the one hand, and Public Landing in San Pedro, on the other hand, over the routes hereinafter described and subject to the following conditions and restrictions:

- (a) The service herein authorized shall be performed on a daily scheduled basis during the period from June 1 to October 1 of each year, and on a scheduled basis on Saturdays, Sundays and holidays for the remainder of year.

Issued by the California Public Utilities Commission.
Decision No. 74687, Application No. 50370.

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Appendix A

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Water Transportation Co., Inc.

SECTION 2. ROUTE DESCRIPTIONS.

Subject to the authority of this Commission to change or modify such at any time, Victor Lee Water Transportation Co., Inc., shall conduct said transportation by vessel between the following points and over and along the following described routes:

LOS ANGELES HARBOR-MARINELAND ROUTE:

Beginning at Public Landing in San Pedro, thence via the Main Channel, passing San Pedro Light and Pt. Fermin, thence continuing along the coast to Marineland, and return by the reverse of said route.

ALTERNATE ROUTE:

From Main Channel to Cabrillo Beach, passing San Pedro Light and Pt. Fermin.

Issued by California Public Utilities Commission.

Decision No. 74687, Application No. 50370.