

Decision No. 76080**ORIGINAL**

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, on
 the One Hand, and, On the Other,
 San Diego.

Application No. 51132
 (Filed May 29, 1969)

O P I N I O N

Applicant was authorized to carry passengers, passengers' luggage and passengers' automobiles by water between San Francisco and Los Angeles by Decision No. 68622, dated February 16, 1965, in Application No. 47218. It requests herein that its authority be extended from San Francisco and Los Angeles to San Diego.

It is alleged that the service from San Francisco and Los Angeles to San Diego is to be provided only as a part of Matson's Caribbean and South American cruises and the rates to be charged are such that the service cannot be considered to be competitive with other carriers.

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.
3. A public hearing is not necessary.

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 Matsen 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. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 63622, which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3 hereof.

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, in triplicate, in the Commission's office.
- (c) The tariff 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 filings shall be concurrent with the establishment of the service herein authorized.
- (d) The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 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,

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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 26th day of AUGUST, 1969.

William Sproule Jr.
President
Auguston
Spod R. Morrison
W. Wilson
T. Am. Am.
Commissioners

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, Los Angeles, California and San Diego, California.

Issued by California Public Utilities Commission.

Decision No. 76080, Application No. 51132.