

ORIGINAL

Decision No. 78497

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of BILL M. CONNALLY
and LAWRENCE VERNAND doing business
as the Island Packers Company, a
partnership for Certificate of Public
Convenience and necessity to establish
and Operate Common Carrier Service for
Transportation of Passengers, Baggage
and Freight Between Oxnard and Ventura
to the Channel Islands of Anacapa,
Santa Barbara, Santa Cruz, San Miguel
and Santa Rosa, etc.

Application No. 52090

(Filed July 29, 1970;
Amended December 11, 1970)

O P I N I O N

Bill M. Connally and Lawrence Vernand, partners doing business as Island Packers Company, seek authority to operate scheduled and on-call common carrier service by vessel for the transportation of persons, baggage and freight between any and all points and places

1. Within Channel Islands Harbor (Oxnard);
2. Within Ventura Marina (Ventura);
3. Within Channel Islands Harbor, on the one hand, and Ventura Marina, on the other hand;
4. Within Channel Island Harbor and/or Ventura Marina, on the one hand, and on the Islands of Anacapa, Santa Cruz, Santa Barbara, San Miguel and Santa Rosa, on the other hand;

5. On the Islands of Anacapa, Santa Cruz, Santa Barbara, San Miguel and Santa Rosa.^{1/}

Applicants allege the following as facts and conditions upon which they rely to justify their proposed service:

1. The Channel Islands are primitive areas wherein are located unique flora and fauna of special interest to scientists, naturalists and other students of natural life.
2. Anacapa Island and Santa Barbara Island have been designated as a national monument, and are under the direction of the National Parks Service. Both islands are popular nature study sites for educational groups.
3. Anacapa Island is also used as a site for organized camping activities of various youth groups.
4. Santa Cruz and Santa Rosa Islands are privately owned. Visitations thereto are subject to permission of the owners.
5. San Miguel Island is owned by the United States Navy.
6. More than 35,000 persons are believed to visit the Channel Islands annually.
7. Authorized common carrier service between the mainland and the Channel Islands is not available.
8. During the period June, 1968, through April, 1970, Bill M. Connally, then sole owner of The Island Packers Company, transported in excess of 10,000 persons to and from the islands on a "for-hire" basis. This operation was without knowledge of the requirement of Section 1007 of the Public

^{1/} For convenience Anacapa, Santa Cruz, Santa Barbara, San Miguel and Santa Rosa Islands as a group will be referred to herein as the Channel Islands.

Utilities Code that a certificate of public convenience and necessity from this Commission is a requisite for the service. Scheduled service was provided to Anacapa and Santa Cruz Islands during the summer months. The service otherwise was performed on an on-call (charter) basis.^{2/}

9. Without common carrier service between the Channel Islands and the mainland the public generally would be without means of transportation to enjoy the part of California which the Channel Islands comprise.
10. Applicants have the equipment, knowledge and experience needed to provide adequate common carrier service to and from said islands.

Applicants propose to operate a scheduled daily service (except on Wednesdays) between the Ventura Marina and Channel Islands Harbor, on the one hand, and Anacapa Island, on the other hand, during the period from June 15 to September 1 of each year, and to operate between said points on an on-call (charter) basis during other times of the year. The other services which applicants would provide under the authority herein sought would be operated on an on-call (charter) basis. All vessels used in the operations, with the exception of tender and shore boats, would be Coast Guard inspected and approved. The rates and rules which applicants would assess or observe in connection with their proposed operations, and the routes over which they would operate, are set forth in amended exhibits "A" and "C" of their application, respectively.

^{2/} The term "charter" as herein used means all service other than scheduled service or service provided pursuant to bareboat agreement.

Exhibit "E" attached to the application shows financial positions of the partners as follows:

Assets, Liabilities and Net Worth
of Bill M. Connally as of May 28, 1970

Assets	\$61,818.00
Liabilities	47,218.00
Net Worth	14,600.00

Assets, Liabilities and Net Worth
of Lawrence Vernand as of December 31, 1969

Assets	\$145,500.00
Liabilities	42,550.00
Net Worth	102,950.00

The original filing of this application was made on July 29, 1970, and was reported on the Commission's calendar of July 31, 1970. The amendment to the application was filed on December 11, 1970, and was listed on the Commission's calendar of December 15, 1970. No objections to the granting of the application have been received.

Upon consideration of applicants' sworn representations in this matter, the Commission finds that:

1. The Channel Islands are places of special interest to various segments of the public.
2. Numerous members of the public visit the islands each year to view and/or study the unique flora and fauna of the islands and the coast line thereof.

3. Authorized public transportation by vessel for the carriage of persons, baggage and property between the islands and the adjacent mainland points of Oxnard and Ventura is not available at present.
4. Applicants have been providing transportation service by vessel for compensation for the public between the Channel Islands and Oxnard and/or Ventura, not knowing that prior Commission authorization for said service is a requisite.
5. This application for the requisite authority is filed in order that applicants may continue to operate their service for the public.
6. Applicants have the equipment, knowledge, experience and financial resources to operate the proposed service.
7. Public convenience and necessity require the operation of the transportation service for which the ensuing order provides.

The Commission concludes that the proposed service should be authorized. Public hearing on the application is not necessary.

Applicants are 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 Bill M. Connally and Lawrence Vernand, partners doing business as Island Packers Company, authorizing them to operate as a common carrier by vessel, as defined in Sections 211(b) and 238 of the Public Utilities Code, for the transportation of persons, baggage and property between the points and over the routes particularly set forth in Appendix A attached hereto and made a part hereof by this reference.
2. In instituting the service herein authorized, applicants shall be governed by the rates, rules, regulations and definitions which are set forth in their proposed tariff contained in their application as amended exhibit "A".
3. The certificate of public convenience and necessity issued herein is subject to the following provisions of law:

The Commission shall have no power to authorize the capitalization of the franchise involved herein or this certificate of public convenience and necessity, or the right to own, operate or enjoy such franchise or certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or to a political subdivision thereof as the consideration for the issuance of such franchise, certificate of public convenience and necessity or right.

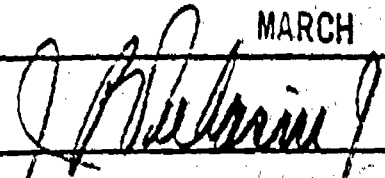
4. In providing service pursuant to the certificate herein granted, applicants shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

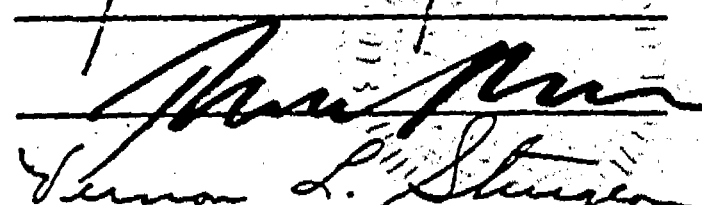
- (a) Within thirty days after the effective date hereof, applicants shall file a written acceptance of the certificate herein granted. Applicants are placed on notice that, if they accept the certificate of public convenience and necessity herein granted, they will be required, among other things, to comply with and observe the insurance requirements of the Commission's General Order No. 111-B.
- (b) Within one hundred twenty days after the effective date hereof, applicants 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) Applicants shall maintain their 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 their 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 50th ~~day~~ day of MARCH, 1971.


Chairman


Vernon L. Stinger


Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

BILL M. CONNALLY and LAWRENCE VERNAND
doing business as
THE ISLAND PACKERS COMPANY
A Partnership

Bill M. Connally and Lawrence Vernand, doing business as The Island Packers Company, a partnership, by decision noted in the margin, are authorized to conduct common carrier service throughout the year by vessel for the transportation of persons, baggage and property between any and all points, over all available routes,

1. Within Channel Islands Harbor (Oxnard);
2. Within Ventura Marina (Ventura);
3. Within Channel Islands Harbor, on the one hand, and Ventura Marina, on the other hand;
4. Within Channel Island Harbor and/or Ventura Marina, on the one hand, and on the Islands of Anacapa, Santa Cruz, Santa Barbara, San Miguel and Santa Rosa, on the other hand;
5. On the Islands of Anacapa, Santa Cruz, Santa Barbara, San Miguel and Santa Rosa.

Issued by California Public Utilities Commission.

Decision No. 78497, Application No. 52090.

SW/ds *

Appendix A

Original Page 2

BILL M. CONNALLY and LAWRENCE VERNAND
doing business as
THE ISLAND PACKERS COMPANY
A Partnership

Scheduled service shall be operated between June 15 and September 1 of each year between Ventura Marina and Anacapa Island and between Channel Islands Harbor (Oxnard), and Anacapa Island, with a minimum of one round trip per day except Wednesdays in both instances. "On-call" service shall be operated at other times of the year to and from Anacapa Island, as well as between the other points authorized herein throughout the year.

Issued by California Public Utilities Commission.

Decision No. 78497, Application No. 52090.