

ORIGINAL

Decision No. 82676

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 PALM SPRINGS SIGHTSEEING & CHARTER CO.,  
 doing business as GOLDEN STATE CHARTER BUS  
 LINES and LEISURE SIGHTSEEING & CHARTER  
 CO., for an extension of existing authority  
 to operate a passenger stage service  
 between various designated points and  
 McDonnell-Douglas Plant "A-3" in  
 Huntington Beach, California.

Application No. 54008  
 (Filed May 2, 1973;  
 amended October 4, 1973)

Ronald J. Hoffman, for applicant.  
Stephen T. Parry, for Southern  
 California Rapid Transit District,  
 protestant.  
Thomas D. Albert, for Orange County  
 Transit District, and Harold L.  
 Solomon, for himself, Interested  
 parties.  
John deBrauwere, for the Commission  
 staff.

O P I N I O N

Palm Springs Sightseeing and Charter Company, Inc., doing  
 business as Golden State Charter Bus Lines and Leisure Sightseeing  
 Charter Co., requests a certificate of public convenience and  
 necessity authorizing it to operate as a passenger stage corporation  
 for the transportation of employees of McDonnell-Douglas over the  
 following route:

Commencing and picking up passengers at La Cienega  
 Boulevard and 124th Street in El Segundo; thence  
 south on La Cienega Boulevard to San Diego Freeway;  
 thence south on San Diego Freeway to Western  
 Avenue; thence south on Western Avenue to 190th  
 Street; thence east on 190th Street to the McDonnell-  
 Douglas Plant in Torrance where passengers are to  
 be picked up; thence East on 190th Street to

Normandie Avenue; thence north on Normandie Avenue to San Diego Freeway; thence South on San Diego Freeway to Springdale Street, Huntington Beach; thence south on Springdale Street to Bosa Avenue to McDonnell-Douglas Plant at 5301 Balsa Avenue, Huntington Beach and return.

Public hearing was held before Examiner O'Leary at Huntington Beach on November 7, 1973 and at Los Angeles on November 8, 1973. The matter was submitted on the latter date.

Applicant presently holds a certificate of public convenience and necessity authorizing the transportation of employees from and to the McDonnell-Douglas plant over various routes pursuant to Decision No. 79798 in Application No. 53028. The authority sought herein is similar to that presently authorized in that it is a commute service for employees of McDonnell-Douglas. The service will be afforded in the early morning hours to transport workers from their residences to the McDonnell-Douglas plant and in the late afternoon to transport the workers in the reverse direction. Applicant proposes a fare of \$11.40 per week per person.

The evidence discloses that the operations for which applicant herein seeks authority is presently being provided to approximately 38 persons. Four of the persons presently utilizing the service testified to the need for the continuation of the service. Exhibit 1 contains copies of applicant's balance sheet as of November 30, 1972 and its profit and loss statement for the year ending November 30, 1972. The balance sheet discloses total assets of \$1,485,778.89 offset by total liabilities of \$1,455,960.58. The profit and loss statement shows a net profit of \$19,189.59. Exhibit 2 contains copies of applicant's balance sheet as of September 30, 1973 and a profit and loss statement for the 10-month period ended September 30, 1973. The balance sheet in Exhibit 2 discloses that the liabilities exceed assets by \$51,834.09 and the profit and loss statement discloses that applicant incurred a net loss of \$87,446.21. The executive vice president of applicant

explained that the loss was due to a contract with the Los Angeles School District for a school bus service. He also testified that the sole stockholder of applicant is also the sole stockholder of two other very profitable corporations and that he is willing to supply additional moneys to applicant in the event of future losses.

Applicant requests that, should the authority be granted, it not be required to perform service for fewer than 25 passengers.

Applicant's certificate of public convenience and necessity granted by Decision No. 79798 in Application No. 53028 provides that it not be obligated to perform service for fewer than 10 adult passengers. A similar provision will be appropriate for the authority sought herein, rather than the provision requested, since applicant's operations pursuant to the certificate granted by Decision No. 79798 are similar to the authority requested herein.

Southern California Rapid Transit District (SCRTD) protests the granting of the application on the basis that it would be prevented from instituting, extending, or rerouting service which would compete with applicant's service by reason of Section 30637 of the Public Utilities Code which provides in part:

" . . . The district shall not establish, construct, complete, acquire, operate, extend or reroute (all of the foregoing being hereinafter referred to by the word 'establish' in all forms thereof), directly or indirectly, either itself or by lease or contract with any other person or persons or otherwise, any rapid transit service or system in such manner or form as will or may, either then or at any time in the future, divert, lessen or compete for the patronage or revenues of the existing system of a publicly or privately owned public utility without the consent of the said utility. . . ."

The argument of SCRTD is not convincing because no evidence was presented by SCRTD as to how soon it proposes to establish service

similar to that proposed by applicant. Section 30631 of the Public Utilities Code provides for the acquisition of bus lines among other facilities by SCRTD. Further, Section 30634 of the Public Utilities Code provides for the joint use of any property and rights by the district and any city, public agency, or public utility operating transit facilities.

Findings

1. Applicant operates as a passenger stage corporation between various points in Southern California and the McDonnell-Douglas plant at Huntington Beach pursuant to authority granted by Decision No. 79798 in Application No. 53028.
  2. The authority sought herein is similar to the operations conducted by applicant set forth in Finding 1.
  3. The authority sought herein has already been instituted to provide service to approximately 38 persons.
  4. Southern California Rapid Transit District is not now providing service between the points proposed by applicant.
  5. Public convenience and necessity require that the application be granted.
  6. Applicant has the experience, equipment, personnel, and financial resources to institute and maintain the proposed service.
  7. With reasonable certainty the project involved in this proceeding will not have a significant effect on the environment.
- The Commission concludes that the application should be granted as set forth in the ensuing order.

Applicant is 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. 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 Palm Springs Sightseeing and Charter Company, Inc., a corporation doing business as Golden State Charter Bus Lines, authorizing it to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, for the transportation of passengers between the points and over the routes set forth in First Revised Page 2 and Original Page 8, attached hereto and made a part hereof, as an extension and enlargement of and consolidation with, and subject to all the limitations and restrictions set forth in, the certificate granted by Decision No. 79798 and in particular subject to the provisions set forth in Section 1 of Appendix A thereof.
2. Appendix A of Decision No. 79798 is amended by incorporating First Revised Page 2 in revision of Original Page 2 and Original Page 8, attached hereto and made a part hereof.
3. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure so to do may result in a cancellation of the authority.
  - (a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted.

- (b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service, 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 authorized service.
- (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-Series and 98-Series.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 2<sup>nd</sup> day of APRIL, 1974.

William L. Sturges  
President  
William Sturges  
William Sturges  
William Sturges  
Commissioners

Appendix A  
(Dec. 79798)

PALM SPRINGS SIGHTSEEING AND  
CHARTER COMPANY, INC.  
doing business as  
Golden State Charter Bus Lines

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Issued by California Public Utilities Commission.

\*Added by Decision No. ~~82676~~, Application No. 54008.

Appendix A  
(Dec. 79798)

PALM SPRINGS SIGHTSEEING AND  
CHARTER COMPANY, INC.  
doing business as  
Golden State Charter Bus Lines

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Section 2. ROUTE DESCRIPTIONS - Contd.

Route 5. Between El Segundo - Torrance and Huntington Beach:  
Commencing and picking up passengers at La Cienega  
Boulevard and 124th Street in El Segundo; thence  
south on La Cienega Boulevard to San Diego Freeway;  
thence south on San Diego Freeway to Western Avenue;  
thence south on Western Avenue to 190th Street;  
thence east on 190th Street to the McDonnell-Douglas  
Plant in Torrance where passengers are to be picked  
up; thence East on 190th Street to Normandie Avenue;  
thence north on Normandie Avenue to San Diego Freeway;  
thence south on San Diego Freeway to Springdale Street,  
Huntington Beach; thence south on Springdale Street  
to Bosa Avenue to McDonnell-Douglas Plant at 5301 Bolsa  
Avenue, Huntington Beach, and return.

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