

Decision No. 84324

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
VANNETT INCORPORATED, dba VANNETT  
LINES, for a certificate of public  
convenience and necessity to operate  
a passenger stage service between  
various designated points and Hughes  
Aircraft Co. designated facilities.

Application No. 54999  
(Filed June 26, 1974)

Leonard Reid Herrst, Attorney at Law, and  
B. J. Garnett, for applicant.  
Stephen T. Parry, for Southern California  
Rapid Transit District, and Robert A.  
Burrowes, for City of Culver City,  
protestants.  
John deBrauwere, for the Commission staff.

O P I N I O N

Applicant Vannett Incorporated, a California corporation, doing business as Vannett Lines, requests a certificate to operate as a passenger stage corporation transporting employees of Hughes Air Corp. (Hughes) between designated places in Covina, Rosemead, and Monterey Park and the Hughes' facilities in Culver City, El Segundo, and the vicinity of the Los Angeles International Airport and return. The application was protested by the Southern California Rapid Transit District (SCRTD) and the city of Culver City. A hearing was held on the application on November 19, 1974 in Los Angeles.

In the proposed service applicant intends to operate one 46-passenger Silver Eagle bus equipped with air conditioning, reclining seats, and a rest room. The bus is owned by applicant. The president of applicant, who drives the bus, as well as the backup

driver of the bus, is employed by Hughes at one of the facilities sought to be served. The bus will leave Eastland Shopping Center in Covina at 6:30 a.m. each morning five days a week and arrive at the last Hughes' facility at 7:51 a.m. In the late afternoon the bus will leave the furthestmost Hughes' facility at 4:55 p.m. and arrive back at the Eastland Shopping Center at 6:30 p.m. The one-way distance is 45 miles. Daily round-trip fares will range from \$2.75 to \$3.00 depending on the distance traveled. Weekly round-trip tickets will be offered and range from \$11 to \$12. The witness for applicant claims that applicant's net worth as of June 12, 1974 was \$11,000. Applicant anticipates that its monthly income from commuter fares will be approximately \$1,600 and in addition will average an additional \$1,500 a month from leasing out the bus. Applicant is presently conducting the operations for which a certificate is requested and claims to be transporting between 28 and 31 passengers each way per day.

Five persons, employees of Hughes, who presently ride the applicant's bus and who testified that they would ride it in the future appeared and gave testimony in support of the application. They testified variously that in taking other public transportation to and from work they would have to transfer up to four times and walk 3/4 of a mile from the bus stop to work; that taking applicant's bus to work results in a savings of approximately \$2,459 per year as compared to driving a car; that they would drive their car if applicant's service was not available; and that taking applicant's bus instead of driving their car leaves them more relaxed when arriving at work thus improving their job performance and more relaxed when arriving at home.

The witness for protestant SCRTD stated that the district provided bus service on a transfer basis from the Eastland Shopping Center to the cities where the subject Hughes' facilities are located and that the buses are scheduled to take 120 minutes from the shopping center to the Los Angeles International Airport. The witness stated that SCRTD offers a subscription service similar to that proposed by applicant for employees of Richfield Oil and United California Bank, the companies paying part of the cost, and would offer the same type of service to Hughes for its employees. The witness requested that if any certificate is issued out of this proceeding that it be restricted to the transportation of Hughes' employees to the named Hughes' facilities and no other intermediate point service.

The witness for Culver City requested that applicant be authorized no service between points within Culver City.

After consideration the Commission finds that applicant possesses the necessary equipment, experience, and financial ability to conduct the proposed service; that the service of SCRTD does not meet the needs of the passengers expected to utilize applicant's direct, nonstop service; that SCRTD has offered no subscription service to the involved Hughes' employees; that applicant proposes no service between points in Culver City, nor at other than the designated stops in Covina, Rosemead, and Monterey Park, and the Hughes' facilities, nor for the transportation of passengers other than employees of Hughes; that the project involved in the application will not, with reasonable certainty, have a significant effect on the environment; and that public convenience and necessity require the proposed service.

Applicant is admonished that if it accepts the certificate it must obey the rules and regulations pertaining to certificated passenger stage corporations and not exceed the scope of its certificate. ✓

The Commission concludes that a certificate of public convenience and necessity should be issued to applicant 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 Vannett Incorporated, a corporation, authorizing it to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points, over the routes, and subject to the conditions set forth in Appendix A of this decision.

2. 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. Applicant is placed on notice that if it accepts the certificate it will be required, among other things, to comply with the safety rules administered by the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-Series, and the insurance requirements of the Commission's General Order No. 101-Series.
- (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.

- (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.

3. As a condition to the issuance of the certificate granted in paragraph 1 of this order, applicant shall, within thirty days after the effective date of this order, file with the Commission, with copy to SCRTD, its consent now and for the future to SCRTD's establishing service competitive with service to be offered under the authority granted in this application.

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

Dated at San Francisco, California, this 15th  
day of APRIL, 1975.

Vernon L. Sturgeon  
President  
William Lyness Jr.  
Stoddard  
Leonard Roy  
Robert Bateman  
Commissioners

CSE/bw

Appendix A

VANNETT INCORPORATED

Original Page 1

dba VANNETT LINES

CERTIFICATE  
OF  
PUBLIC CONVENIENCE AND NECESSITY

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Showing passenger stage operative rights, restrictions,  
limitations, exceptions, and privileges applicable thereto.

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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.

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Issued under authority of Decision No. 84324,  
dated APR 15 1975, of the Public Utilities Commission  
of the State of California, in Application No. 54999.

dba VANNETT LINES

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

Vannett Incorporated, dba Vannett Lines, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers between certain points in Los Angeles County, on the one hand, and Hughes Aircraft's El Segundo, Culver City and Airport facilities, on the other hand, over and along the route described in Section 2, and subject to the following conditions:

- (1) No passenger shall be transported who does not have as either point of origin or destination the specified Hughes Aircraft facilities.
- (2) Passengers shall be picked up and/or discharged only at the stops specified in the route description. No local transportation shall be rendered.
- (3) Motor vehicles may be turned at termini and 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.
- (4) When route descriptions are given in one direction, they apply in either direction unless otherwise indicated.

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dba VANNETT LINES

## SECTION 2. ROUTE DESCRIPTION.

Route 1. Eastland Shopping Center to Hughes Aircraft

Commencing and picking up passengers at Eastland Shopping Center near Barranca Avenue and San Bernardino Freeway (State Route 10); thence west on the San Bernardino Freeway to Rosemead Boulevard where passengers are picked up at Ward's Shopping Center; thence continuing west on the San Bernardino Freeway to Atlantic Boulevard; thence north on Atlantic Boulevard to Emerson Avenue where passengers are picked up; thence north on Atlantic Boulevard, west on the San Bernardino Freeway and Santa Monica Freeway (State Route 10) to La Brea Avenue; thence south on La Brea Avenue, Stocker Street, La Cienega Boulevard, Centinela Avenue to Hughes Aircraft Facility-Culver City, to discharge passengers; thence south on Lincoln Boulevard, Imperial Highway to Hughes Aircraft Facility-El Segundo, to discharge passengers thence east on Imperial Highway, Aviation Boulevard, 104th Street, La Cienega Boulevard to discharge passengers at Hughes Aircraft Facility-Los Angeles International Airport; thence south on La Cienega Boulevard, 111th Street to Hindry Avenue and the Hughes Aircraft Facilities-Los Angeles International Airport, to discharge passengers, returning and making the same stops for passengers in the reverse of the going route.

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