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Decision No. 85219

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of: )  
SAN SIMEON STAGES, INC., a California )  
Corporation, for a Certificate of )  
Public Convenience and Necessity to )  
operate as a Passenger Stage Corpora- )  
tion, pursuant to the provisions of )  
Section 1031, et seq. of the Public )  
Utilities Code of the State of )  
California, offering round-trip )  
passenger service between San Luis )  
Obispo and Hearst Historical Monument )  
near San Simeon, serving intermediate )  
points. )

Application No. 55970  
(Filed September 30, 1975)

O P I N I O N

By this application San Simeon Stages, Inc. requests a certificate of public convenience and necessity to operate as a passenger stage corporation and establish a sightseeing tour service for the transportation of passengers and their baggage between San Luis Obispo and the Hearst Historical Monument, near San Simeon.

Applicant intends to conduct the contemplated operations with a 1963 General Motors TDH bus having a capacity for 45 passengers. Applicant's financial statement as of October 1, 1975 indicates current cash assets of \$8,500. Applicant's initial stock issuance will be to two officers of Great Western Enterprises, Inc., doing business as "Great Western Tours", a San Francisco travel agency. It is also contemplated that an interest in applicant will ultimately be sold to a local San Luis Obispo resident who will operate the bus and conduct the contemplated operations.

The transportation conditions which assertedly justify the granting of the sought certificated authority are:

"Hearst Castle near San Simeon is an officially designated Historical Monument and an internationally known sightseeing attraction.

"During the past year, motor carrier service connecting the AMTRAK station at San Luis Obispo with the Hearst Historical Monument has been offered by a private hotel, using an old-model, London double-decker bus. A sizable portion of the passenger traffic utilizing this bus service was generated by GREAT WESTERN TOURS through its rail-related packaged tour promotions.

"Following a change in ownership and control of this sponsoring hotel, this London double-decker motor bus service was terminated.

"At the present time...there is a total lack of a common carrier passenger service between San Luis Obispo and the Hearst Historical Monument, despite the patent reality that it is in the public interest to provide the sightseeing public with such a service. . . .

\* \* \*

"In order to fill the gap in passenger service between San Luis Obispo and the Hearst Historical Monument, APPLICANT was formed and this application filed. Without the interest and support of GREAT WESTERN TOURS in providing this service to the public, with its attendant risk of economic loss in low-patronage periods, the public would be denied the service entirely.

"It is anticipated that the majority of patrons for the involved service will be individual purchasers of a packaged tour that includes advance arrangements for overnight lodgings. In order for this type of service to be effectively marketed and successfully conducted,

the availability of the service must be assured, definite and absolute, and not dependent upon a particular number of passengers on a particular day in order to operate. As contemplated by APPLICANT, the service will be 'on-call', but will be operated for even a single person. APPLICANT is confident that, given proper development and promotion, the involved service will be compensable to APPLICANT, and provide a valuable, needed, attractive and convenient service to the public."

It is presently contemplated that the proposed service will include an overnight stay at or near Cambria, and that, from San Luis Obispo, service will initially be offered on a three-day-per-week basis (Thursdays, Fridays, and Saturdays), with comparable return service operating on Fridays, Saturdays, and Sundays. If the expected increased in demand for service materializes, applicant contemplates providing daily service to the public after May 1, 1976.

The Commission's Transportation Division staff has analyzed the sought certificated authority, conducted a field survey, and discussed the proposed service with the interested parties. The staff recommends that in the absence of protest the sought authority be granted by ex parte order.

Copies of the application were served upon the various city and county departments within the affected proposed service area as well as the Traffic Management Division of the State of California. While there are no known competing passenger stage services available at present, applicant served copies of its application upon three major passenger stage corporations who may have a potential interest in this matter. Application No. 55970 was also listed on the Commission's Daily Calendar for October 2, 1975. No protests to the sought certificated authority have been received.

Findings

1. Applicant has shown a reasonable capacity to perform a sightseeing tour service between San Luis Obispo and the Hearst Historical Monument, near San Simeon, as a passenger stage corporation.

2. At the present time no passenger stage sightseeing tour service is available to the public in the area proposed to be served by applicant.

3. Applicant has demonstrated that public convenience and necessity require the granting of the certificated authority as requested.

4. We find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment.

The Commission concludes that the application should be granted. A public hearing is not necessary.

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 San Simeon Stages, Inc., a California corporation, authorizing it to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes 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.

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

Dated at San Francisco, California, this 9<sup>th</sup> day of DECEMBER, 1975.

[Signature]  
President  
William L. Givens  
Vernon L. Stedman  
[Signature]  
Commissioners

Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.

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

San Simeon Stages, Inc., a California corporation, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to operate as a passenger stage corporation to transport sightseeing passengers and their baggage between San Luis Obispo and Hearst San Simeon State Historical Monument and intermediate points thereto over and along the route described herein, subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- a. Carrier may make stopovers for the purpose of permitting sightseeing passengers to visit various points of interest along and in the vicinity of the route.
- b. Service herein authorized shall be limited to the transportation of round-trip passengers.
- c. Service shall be operated on an "on-call" basis. The term "on-call" as used herein refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs and timetables shall show the conditions under which each authorized "on-call" service will be rendered.

SECTION II. ROUTE DESCRIPTION.

Commencing from San Luis Obispo, thence along State Highway 1 to Hearst San Simeon State Historical Monument parking lot, return on State Highway 1 to San Luis Obispo.

Issued by California Public Utilities Commission.

Decision No. 85219, Application No. 55970.