

Decision No. 86007

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of
 DOUG BOMBARD ENTERPRISES, a
 California corporation, doing
 business as CATALINA COVE AND
 CAMP AGENCY, also doing business
 as CATALINA MOORING SERVICE, for
 a certificate of public convenience
 and necessity to operate a common
 carrier service by vessel between
 points and places on Santa Catalina
 Island, California, and between
 such points and places and vessels
 on the inland waters of the State,
 and between such vessels on the
 inland waters of the State as a
 passenger water taxi service.

Application No. 56429
 (Filed April 23, 1976)

O P I N I O N

Doug Bombard Enterprises, a California corporation, doing business as Catalina Cove and Camp Agency and Catalina Mooring Service, requests a certificate of public convenience and necessity as a vessel common carrier of passengers between various vessels and places on the inland waters in and around Santa Catalina Island on an on-call and chartered basis.

The application was filed pursuant to the "grandfather" clause of recent legislation which amended Section 1007 of the Public Utilities Code which reads:

- "(b) Any corporation or person which owns or controls, and any corporation or person which operates, any watercraft propelled by steam, gas, fluid naphtha, electricity, or other motive power under the burden of five tons net register for the transportation of persons or property for compensation

between points in this state on January 1, 1975, may, on or before April 1, 1975, file with the commission an application for a certificate of public convenience and necessity for the type of service performed by the vessel. The commission shall issue such certificate authorizing such service without further proceedings."

Applicant has been in continuous operation since February 4, 1961. In view of the rather long period of operations, applicant believes it qualifies for grandfather rights under the existing provision of Section 1007(b) of the Public Utilities Code notwithstanding the time for seeking such authority expired with April 1, 1975.

Applicant's proposed fares, areas of operations, list of equipment, and financial statement are attached to the application as Exhibits A, B, C, and D. The proposed fare structure is:

TABLE 1

DOUG BOMBARD ENTERPRISES

Statement of Proposed Fares to be Charged
(On-Call Service Only)

Proposed Fares:

Transportation between any two points within the Isthmus Cove, Fourth of July Cove, and Little Fisherman's Cove:

Adults	50¢
Children (under 12)	25¢

Cherry Cove and Big Fisherman's Cove within the inland waters of the Isthmus Cove:

Adults	60¢
Children (under 12)	25¢

(Continued)

TABLE 1
(Continued)Charters:

<u>Charters:</u>				Ea. Child (Under 12)
	<u>Minimum</u>	<u>Ea. Adult</u>		
Two Harbors to or from Empire Landing	\$16.00	\$1.00		\$.75
Two Harbors to or from Little Geiger	14.00	1.00		.75
Two Harbors to or from Big Geiger	14.00	1.00		.75
Two Harbors to or from Howland's Landing	15.00	1.00		.75
Two Harbors to or from Emerald Bay	16.00	1.00		.75
	<u>Daily 8 Hrs.</u>	<u>Daily 4 Hrs.</u>	<u>Hourly 1 Hr. Min.</u>	<u>Stand-By Time</u>
"On Call" Shoreboat (Charters)	\$140.00	\$85.00	\$25.00	\$12.00
22' Jefferies, 6-Passenger (Charters)	120.00	65.00	20.00	12.00

Applicant contends that its basic fare structure and frequency of service is reasonable and in the best interests of the public. Applicant operates one gasoline and three diesel powered passenger vessels which are owned and leased from the Santa Catalina Island Company. The gasoline powered boat has a capacity for 6 passengers, two of the diesel powered vessels will carry 36 passengers, and the third will accommodate 30 passengers. Applicant's pro forma balance sheet for December 31, 1975 indicates total assets amounting to \$309,323 with retained earnings of \$39,089.

Applicant relies upon the following additional conditions as justification for granting the sought certificate:

"... Applicant's experience and reliability is demonstrated by the fact that it has been in continuous operation since February 4, 1961, ... This is also evident in its financial statement and its Certificate of Insurance.

Its equipment is seaworthy, safe and attractive for the traveling public. It has good basic knowledge of the weather, sea and topographic conditions existing in and about Santa Catalina Island. No accidents or losses have occurred in its operation causing loss or injury to persons or property. . . . The equipment is safe, well maintained, comfortable and enjoyable to ride on. . . . Applicant's personnel are experienced in waters applied for as five operators hold current 'Ocean Operators' certificates, and five operators hold current 'Restricted Operators' certificates issued by the United States Coast Guard."

Applicant alleges that its activity has no adverse effect on the environment and it is beneficial to the environment for the following reasons:

- "(a) Applicant's vessels can carry as many as thirty-six (36) passengers per boat at one time thereby eliminating the use of as many as 8 separate boats which normally carry four persons. This conserves on fuel and likewise reduces the number of pollutants discharged both in the air and into the water.
- (b) The areas served by applicant are inaccessible by 4-wheeled vehicles. Four-wheeled vehicles generally carrying 4 passengers in their travel over the terrain generally upset and destroy vegetation, wild life, create noise and generally cause air pollution due to exhaust emissions.
- (c) Applicant's vessels are diesel powered, except for one vessel. Diesel burning engines create less air pollutants and are more efficient to operate."

The certificate of service indicates that known competing carriers now operating between the points proposed to be served or which the proposed operation might affect were served with a copy of Application No. 56429 on April 22, 1976. The application was also listed on the Commission's Daily Calendar for April 27, 1976. To date

no requests for public hearing or protests to the granting of the sought certificate have been filed.

The Commission finds that public convenience and necessity require the granting of applicant's sought certificated authority, and it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. We conclude that Application No. 56429 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 Doug Bombard Enterprises, a corporation doing business as Catalina Cove and Camp Agency and Catalina Mooring Service, authorizing it to operate as a common carrier by vessels, as defined in Sections 211(b) and 238 of the Public Utilities Code, between the points and places 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 insurance requirements of the Commission's General Order No. 111-Series.
- (b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized services 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 services.
- (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-Series and 117-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 29th
day of JUNE, 1976.

William J. Lyons President
Veronica L. Stinson
Leonard Ross
Paul Baker Commissioners

Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.

GK

Appendix A

Doug Bombard Enterprises
(a California corporation)
dba
CATALINA COVE AND CAMP AGENCY
and
CATALINA MOORING SERVICE

Original Page 1

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

Showing common carrier by vessel operative rights, restrictions, limitations, exceptions and privileges applicable thereto.

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.

Issued under authority of Decision No. 86007
dated JUN 29 1976 of the Public Utilities Commission
of the State of California, in Application No. 56429.

Appendix A

Doug Bombard Enterprises
(a California corporation)
dba
CATALINA COVE AND CAMP AGENCY
and
CATALINA MOORING SERVICE

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

Doug Bombard Enterprises, a California corporation, by the certificate of public convenience and necessity granted by the decision noted in the margin is authorized as a vessel common carrier to operate a water taxi "on-call" service in transporting passengers between certain points on and along Santa Catalina Island described in Section 2, and subject to the following conditions:

- (1) Service shall be operated with vessels of less than five tons net register.
- (2) No vessel shall be operated unless it has met all applicable safety requirements including those of the United States Coast Guard.
- (3) 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.

Issued by California Public Utilities Commission.

Decision No. 86007, Application No. 56429.

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Appendix A

Doug Bombard Enterprises
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CATALINA COVE AND CAMP AGENCY
and
CATALINA MOORING SERVICE

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SECTION 2. AUTHORIZED OPERATIONS.

1. Between anchored vessels or between anchored vessel and shore in the inland waters of Isthmus Cove or of Catalina Harbor.

2. Between Two Harbors, a locale on Santa Catalina Island, and points or places on Santa Catalina Island.

3. Between Two Harbors and points and places on the inland waters in and around Santa Catalina Island.

Issued by California Public Utilities Commission.

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