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Decision 88 07 003 JUL 8 1988

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ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Lounge Car Tours Charter Company,)
Inc. for a certificate of public)
convenience and necessity to operate)
as a passenger stage corporation on)
a scheduled basis over regular)
routes between Buena Park/Anaheim)
and Los Angeles International)
Airport.)

Application 87-11-035
(Filed November 24, 1987;
amended March 29, 1988)

OPINION

The amended application of Lounge Car Tours Charter Company, Inc. (applicant), a California corporation, requests authority under Public Utilities (PU) Code § 1031 et seq., to operate as a passenger stage corporation, as defined in PU Code § 226, to transport passengers and their baggage, on a scheduled basis, between certain points in Orange County and Los Angeles International Airport (LAX).

In its original application, applicant also sought authority to operate between points within the city limits of Anaheim and Buena Park, on the one hand, and John Wayne Airport on the other hand. This latter request had been protested by FunBus Systems, Inc., and it has been deleted in consideration of protestant's withdrawal of its opposition.

Transportation Division (staff) reviewed the application and filed an advice of participation noting that applicant was delinquent in paying its Public Utilities Commission Transportation Reimbursement Account (PUCTRA) fees and in filing its annual reports. On April 28, 1988 staff submitted the passenger stage certificate attached to this decision as the required reports have been filed and PUCTRA fees paid by applicant.

Applicant alleges that the following facts show that the proposed operation is required by public convenience and necessity:

1. A dispute has arisen between applicant, its competitors and the Commission's staff regarding the nature and scope of the federal authority which presently authorizes applicant to provide passenger intrastate service between Anaheim/Buena Park and LAX. This dispute has persisted for over three years and has disrupted applicant's business by creating unnecessary legal expenses and related costs for the company and interfering with applicant's ability to make long-term plans regarding its operation. Because the dispute focuses on the jurisdiction of the federal agency with respect to the intrastate service involved, applicant believes that public convenience and necessity would be served by mootng that dispute through the acquisition of state issued intrastate authority. If the application is granted, applicant intends to conduct all future operations pursuant to said state authority notwithstanding its belief in the validity and integrity of the federally issued intrastate license.

2. Since 1984 when applicant was granted ICC authority to provide intrastate service, it has performed operations on a daily basis between Buena Park/Anaheim and Los Angeles International Airport in full size buses. In late 1984 and early 1985, the company averaged 83 passengers per day on its intrastate service. By 1986, traffic increased to an average of 254 passengers per day, and as of 1987 the company is averaging 323 passengers per day in California intrastate service. This represents a present monthly average of over 10,000 passengers.

Applicant's balance sheet dated August 31, 1987 shows current assets of \$214,889, fixed assets (mostly buses) of \$713,662, and net worth of \$14,412. It has 13 large buses in operation at the present time.

As the only protest filed against this application has been withdrawn, a public hearing is not required.

Findings of Fact

1. Public convenience and necessity require that the proposed service be established.
2. Applicant has the ability and financial resources to perform the proposed service.
3. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusion of Law

The application should be granted as set forth in the order. Since there are no protests, the order should become effective on the date it is signed.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Lounge Car Tours Charter Company, Inc. authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the route set forth in Appendix PSC-1464, to transport persons and baggage.
2. Applicant shall:
 - a. File a written acceptance of this certificate within 30 days after this order is effective.
 - b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
 - c. State in its tariffs and timetables when service will start; allow at least 10 days' notice to the Commission; and make

timetables and tariffs effective 10 or more days after this order is effective.

- d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code § 403 when notified by mail to do so.

3. Prior to initiating service to any airport, applicant shall notify the airport authority involved. This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.

4. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that it has evidence of insurance on file with the Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

- 5. The application is granted as set forth above.
- This order is effective today.

Dated JUL 8 1988, at San Francisco, California.

STANLEY W. HULETT
President
DONALD VIAL
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners

Commissioner Frederick R. Duda
being necessarily absent, did not
participate. CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Victor Weiss, Executive Director
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T/VP/vjk

Appendix PSC-1464

Lounge Car Tours
Charter Company, Inc.

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-1464

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

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 83.07 003, dated
JUL 8 1988 of the Public Utilities Commission of the
State of California in Application 87-11-035.

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Appendix PSC-1464

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Charter Company, Inc.

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Issued by California Public Utilities Commission.

Decision 88,07 003, Application 87-11-035.

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

Lounge Car Tours Charter Company, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers and their baggage, on a scheduled basis, between certain points in Orange County and Los Angeles International Airport (LAX), over and along the route described, subject, however, to the authority of this Commission to change or modify the route at any time and subject to the following provisions:

- (a) 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.
- (b) When route descriptions are given in one direction, they apply to operations in either direction unless otherwise indicated.
- (c) The tariffs and timetables shall show the conditions under which the authorized scheduled service will be provided, and shall specify the the exact locations of the scheduled stops.
- (d) No passengers shall be transported except those having a point of origin or destination at LAX.
- (e) This certificate does not authorize the holder to conduct any operation on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.

Issued by California Public Utilities Commission.

Decision SS 07 003, Application 87-11-035.

