

Decision 82 07 072 JUL 7 - 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of CASABLANCA TOURS,)
for a certificate of public con-)
venience and necessity to operate)
passenger service, namely sight-)
seeing to star homes within the)
County of Los Angeles and/or)
Beverly Hills and/or Hollywood)
and downtown Los Angeles area.)

Application 82-03-03
(Filed March 1, 1982)

INTERIM OPINION

Frederick Schwartz, doing business as Casablanca Tours, requests a certificate of public convenience and necessity under Public Utilities (PU) Code § 1031 to conduct sightseeing-tour operations. Applicant proposes to operate the following service:

A tour to Homes of the Stars, another through West Los Angeles; and standard tours to Universal Studios, Disneyland, and Knott's Berry Farm. Pickups will be made at hotels and motels in downtown Los Angeles, near Los Angeles International Airport, and in Brentwood, Beverly Hills, and Hollywood. The shortest tour is two hours, the longest ten hours. Applicant owns one 1975 Ford van which seats 12 including the driver. Additional equipment will be leased or purchased as needed. Tours will be canceled if there are fewer than three passengers. Adult fares range from \$8.50 to \$28 depending on the length and duration of the tour. It is alleged that the tours will be operated on a daily basis.

The application refers to Casablanca Tours and Casablanca Charter Tours as the same entity. It identifies Schwartz as a sole proprietorship and later as the president of Casablanca Charter Tours. A letter from Schwartz to the Commission dated April 28, 1982 states that Frederick Schwartz is a sole proprietorship operating as Casablanca Tours.

Protests were filed by The Gray Line Tours Company (Gray Line), Orange Coast Sightseeing Company (Orange Coast), and Starline Sightseeing Tours, Inc. (Starline). Gray Line operates out of Los Angeles, Orange Coast out of Anaheim, and Starline out of Hollywood. Gray Line alleges that it provides identical service to that proposed by the applicant and that the granting of temporary sightseeing certificates, without a public hearing to develop an applicant's qualifications, has an adverse effect on protestant's operations since there is no need for the proposed service. Orange Coast alleges that the application includes several inconsistent statements; that the financial statement provided with the application is inadequate and that applicant can't provide all of its proposed service with a single vehicle. It is further alleged that at least three certificated passenger carriers already serve the territory sought by the applicant. Starline alleges that applicant Schwartz is a former employee and has applied to duplicate four of the tours provided by Starline. It is alleged that there is no public need for two identical services providing the same tours and that granting this application would constitute a violation of § 1032 of the PU Code.

In Decision (D.) 93726 in Application 59818 et al. issued November 13, 1981, we found that sightseeing-tour service over a loop is not that of a passenger stage corporation. However, the portion of that decision completely eliminating our regulation over sightseeing-tour carriers will not become effective until after judicial review. We announced in D.93726 that during this transitional period we would grant pending applications ex parte with temporary operating authority upon a showing that applicant had adequate public liability insurance. Accordingly, we will grant this application. Applicant must file evidence of the required minimum insurance coverage set by General Order 101 before operations begin.

Findings of Fact

1. The proposed operations are sightsceing-tour service over a loop.
2. 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

Temporary operating authority should be granted; since there is an alleged need for the proposed service and liability insurance set by General Order 101 will be required before operations begin, the following order should be effective today.

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.

INTERIM ORDER

IT IS ORDERED that:

1. Frederick Schwartz is granted a temporary certificate of public convenience and necessity to operate a sightseeing-tour service over the routes proposed in the application until further order of the Commission and is assigned Passenger Stage Corporation PSC 1229. A permanent certificate prepared by this Commission may be issued by a final order.
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 his 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.

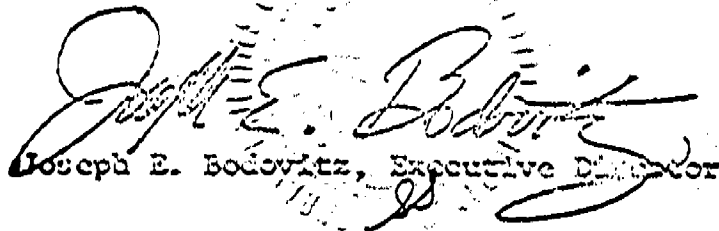
This order is effective today.

Dated JUL 7 1982, at San Francisco, California.

RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. CREW
Commissioners

Commissioner John E. Bryson,
being necessarily absent, did
not participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director

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