

Decision 83 95 021 MAY 4 1983

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of San Pedro Marine, Inc. for the issuance of an order enlarging its existing certificate of public convenience and necessity to operate as a vessel common carrier in the Los Angeles and Long Beach Harbors, and to establish rates.

Application 82-10-60
(Filed October 28, 1982)

O P I N I O N

San Pedro Marine, Inc. (San Pedro), applicant to the above-entitled action, has filed a motion for an order removing certain restrictive conditions from its water vessel common carrier certificate on a permanent basis.

By Decision (D.) 82-11-078 issued November 17, 1982, San Pedro was granted this relief on a 6-month interim basis pending Commission review of its application for a permanent expansion of its certificate authority. San Pedro requests, by this motion, that those conditions in its water vessel certificate which limited it to deliveries of lube oil or stores and freight in conjunction with lube oil be removed on a permanent basis. In D.90334 issued May 22, 1979 in Application 58111, we had found that the transportation of such lube oil in 450-gallon tote tanks does not constitute transportation of oil in bulk under Public Utilities Code Section 238(c), and we therefore exercised jurisdiction over the transportation.

In support of its motion, San Pedro alleges that but for the interim authority granted it in D.82-11-078, there would be inadequate water vessel service for the transportation of ships' stores and other freight to vessels lying at anchor in the Los Angeles/Long Beach Harbor. In D.82-11-078 we granted San Pedro's application for removal of the restricted conditions in its certificate of public convenience and necessity for a period of six months pending our review and consideration of its request for permanent removal of those operating restrictions. San Pedro alleges that since the issuance of D.82-11-078 it has performed a large majority of the stores and freight transportation in the Los Angeles/Long Beach Harbor.

Universal Marine Corporation (Universal), which formerly held water vessel common carrier authority to conduct stores and freight transportation business in the harbor, has not operated since its cessation of business on October 20, 1982. On March 11, 1983, one of Universal's creditors caused most of its assets to be sold at auction including Universal's CPUC water vessel certificate, according to the declaration attached to San Pedro's motion. San Pedro also alleges that H-10 Water Taxi Company, Inc. (H-10), which ceased operations in May 1982, conducted no water vessel operations between May 1982 and the end of December 1982, and that it attempted to restart its business in early January 1983 but apparently was unable to generate sufficient business and ceased operations again on January 31, 1983. According to the declaration of San Pedro's president, while H-10 did provide a few boarding party operations during the month of January 1983, it did not transport any large stores or freight loads.

San Pedro further alleges that during this interim period, it has proven its willingness and ability to perform a quality stores and freight transportation service and that it has filled the market need for service during this period and should be permitted to continue to do so. In response to the protest of H. Tourist, Inc. filed December 2, 1982 and its reply to San Pedro's current motion, San Pedro states it has no objection to the inclusion of an explicit restriction in its certificate with regard to service to or from Santa Catalina Island.

The current expiration date for the interim authority granted to San Pedro is May 17, 1983.

Based on the information contained in San Pedro's motion and the declaration of its president, it appears that there is a need existing in the Los Angeles/Long Beach Harbor for additional vessel common carrier service. We are satisfied that San Pedro is fit to provide the required expanded service. We will therefore authorize San Pedro to conduct the full vessel common carrier service within the Los Angeles/Long Beach Harbor, which we previously granted for a 6-month interim basis, on a permanent basis.

Findings of Fact

1. San Pedro is a vessel common carrier under our jurisdiction which currently possesses a certificate of public convenience and necessity which limits its vessel operations to transportation of lube oil in 450-gallon aluminum tote tanks and ships' stores, freight, and spare parts when transported in conjunction with a lube oil delivery.

2. Two vessel common carriers which have certificates without restrictions in the Los Angeles/Long Beach Harbor have ceased operations due to financial or union difficulties.

3. San Pedro has received and continues to receive requests to transport ships' stores without concurrent delivery of lube oil.

4. During the interim period since the issuance of D.82-11-078 San Pedro has performed a large majority of the stores and freight transportation in the Los Angeles/Long Beach Harbor.

5. San Pedro has the financial ability, equipment, and expertise required to furnish the expanded service on a permanent basis.

6. Protestant H. Tourist, Inc. has no objection to the granting of this application so long as any permanent authority issued herein carries forward the restriction imposed by the Commission in its interim decision which provided that:

"No service shall be provided to or from Santa Catalina Island."

San Pedro has no objection to such restriction.

7. Because there is a need for the continuation of the interim authority, the order should be made effective today.

Conclusion of Law

The request of San Pedro that restrictive condition No. 3 on Revised Page 1 of its present certificate, which sets forth a May 17, 1983 expiration date for the expanded authority granted in D.82-11-078 be removed, should be granted as set forth below.

ORDER

IT IS ORDERED that:

1. The restrictive conditions in the certificate of public convenience and necessity previously issued to San Pedro Marine, Inc. (San Pedro) which prohibit its transportation of passengers and restricted transportation of stores, freight, and spare parts to transportation as part of a lube oil delivery, are permanently removed. San Pedro's certificate is revised as shown in Appendix A and includes a new restriction that "no service shall be provided to or from Santa Catalina Island".

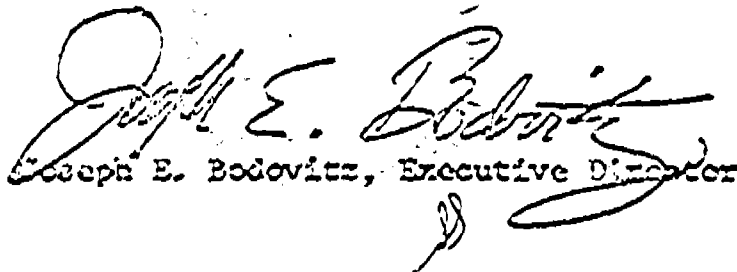
2. San Pedro may file tariffs on two days' notice to the Commission and the public reflecting transportation of passengers, and stores, freight, and spare parts in the absence of lube oil, at the same rates presently set forth in its tariffs for transportation of stores, freight, and spare parts in conjunction with lube oil deliveries.

This order is effective today.

Dated MAY 4 1983 , at San Francisco, California.

LEONARD M. GRIMES, JR.
President
VICTOR CALVO
FRISCELLA C. GREW
DONALD VIAL
Commissioners

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


Joseph E. Bodovitz, Executive Director

Appendix A
(D.90334)

SAN PEDRO MARINE, INC.
(a California corporation).

Second Revised Page 1
Cancels
First Revised Page 1

San Pedro Marine, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to conduct operations as a vessel common carrier as defined in Public Utilities Code Sections 211(b) and 238 for the transportation of lube oil, in bulk, in tote tanks*, parts; freight; stores; and passengers between:

1. The ports of Los Angeles and Long Beach, on the one hand, and, on the other, all docks, wharves, ships, points, and places within the Los Angeles/Long Beach Harbor.
2. All docks, wharves, ships, points, and places within the Los Angeles/Long Beach Harbor, on the one hand, and, on the other, marine installations and rigs, ships, and vessels located at points south offshore off Oceanside to points north off Santa Barbara.

subject to the following restrictions:

1. No vessel shall be operated unless it has met all applicable safety requirements, including those of the United States Coast Guard.
2. No service shall be provided to or from Santa Catalina Island.
- ** 3. Deleted.

*Steel tanks four feet square and five feet high with a 450-gallon capacity.

Issued by California Public Utilities Commission.

** Deleted by Decision 83 95 021, Application 82-10-60.