

Decision No. 87669 AUG 2 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of EDUCATIONAL AND RECREATIONAL)
 SERVICES, INC., a California)
 corporation, to purchase, and)
 COMMUNITY ENTERPRISES, INC., a)
 California corporation, to sell,)
 the latter's passenger stage)
 certificate of public con-)
 venience and necessity pursuant)
 to Sections 851 and 852 of the)
 Public Utilities Code.)

Application No. 57168
 (Filed March 24, 1977)
 (Amended May 11, 1977)

O P I N I O N

By this application, Community Enterprises, Inc. (Community) seeks authority to sell and Educational and Recreational Services, Inc. (ERS) seeks authority to buy certain operative rights and equipment owned by the former.

The operative rights consist of the Certificate of Public Convenience and Necessity (PSC-818) to operate as a Passenger Stage Corporation between certain camps in Camp Pendleton Marine Base, on the one hand, and the City of San Clemente and Disneyland in the City of Anaheim, on the other hand, and a Certificate as a Class "A" Charter-party Carrier of Passengers (TCP-9A). The equipment to be transferred consists of two 1959 GMC buses. The passenger stage certificate was issued by Decision 76988 in Application 51695 and amended by Decision 79560 in Application 52910. The parties have agreed to a purchase price of \$25,000 for the passenger stage certificate.

ERS has assigned to one of its subsidiaries, National Bus Sales and Leasing, Inc. the right to acquire the Class "A" charter-party certificate.

Official cognizance is taken of the fact that by Commission Resolution PE-303, Schedule No. 44, dated June 10, 1977, the transfer of the Class "A" charter-party certificate from Community Enterprises, Inc. to National Bus Sales and Leasing Co., Inc. was authorized. The

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sale price of this certificate as stated in the exhibits attached to Application 57168 was \$12,000.

ERS is in the business of providing bus service to the public either directly under its d.b.a. of Associated Charter Bus Company or indirectly through a wholly owned subsidiary, California Sightseeing Tours, Inc.

Community has suffered recent adverse financial results and desires to terminate its bus activities.

The application was listed on the Commission's Daily Calendar of March 25, 1977. The Commission's Transportation Division staff reviewed the application and requested additional information regarding the certificate to be transferred. Such information was included in an Amendment to the Application, filed May 11, 1977. The Transportation Division staff recommends that in the absence of protest it should be granted ex parte. No protest has been received. A public hearing is not necessary.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest. The Commission concludes that the transfer should be authorized.

The order which follows will provide for, in the event the transfer is completed, the revocation of the certificate presently held by Community Enterprises, Inc. and the issuance of a certificate in appendix form to Educational and Recreational Services, Inc.

Buyer 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.

The authorization granted shall not be construed as a

finding of value of the rights and properties authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. On or before September 30, 1977, Community Enterprises, Inc. may sell and transfer the operative rights and property referred to in the application to Educational and Recreational Services, Inc.
2. Within thirty days after the transfer the purchaser shall file with the Commission written acceptance of the certificate and a true copy of the bill of sale or other instrument of transfer.
3. Purchaser shall amend or reissue the tariffs and timetables on file with the Commission, naming rates and rules governing the common carrier operations transferred to show that it has adopted or established, as its own, the rates and rules. 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 transfer. The tariff and timetable filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders 79-Series and 98-Series. Failure to comply with the provisions of General Orders 79-Series and 98-Series may result in a cancellation of the operating authority granted by this decision.
4. On or before the end of the third month after the transfer, the purchaser shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current year to and including the effective date of the transfer.
5. In the event the transfer authorized in Paragraph 1 is completed, effective concurrently with the effective date of the tariff filings required by Paragraph 3, a Certificate of Public

Convenience and Necessity (PSC-950) is granted to Educational and Recreational Services, Inc., a 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.

6. The Certificate of Public Convenience and Necessity granted by Decision 76988 and amended by Decision 79560 is revoked effective concurrently with the effective date of the tariff filings required by Paragraph 3.

7. Purchaser shall comply with the safety rules administered by the California Highway Patrol, the rules and regulations of the Commission's General Order 98-Series, and the insurance requirements of the Commission's General Order 101-Series.

8. Educational and Recreational Services, Inc. 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.

9. Educational and Recreational Services, Inc. shall design and implement accounting procedures in its general ledger which segregate the operating results for the certificated bus operations.

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

Dated San Francisco, California, this 2nd day of AUGUST, 1977.

Robert Batistich
President

William J. Lyons

Vernon L. Sturgeon

Commissioners

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

Commissioner Clair T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
NO. 950
TO OPERATE AS
A PASSENGER STAGE CORPORATION

Showing passenger stage 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 **87669**
dated AUG 2 1977 of the Public Utilities Commission
of the State of California, in Application 57168.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS
AND SPECIFICATIONS

Educational and Recreational Services, Inc., a corporation,
is authorized to transport passengers:

1. Between the City of San Clemente, on the one hand, and Camps San Onofre, Horno, San Mateo, Talega and Christianitos, on the other hand, over and along the routes hereinafter described, subject to the following condition:

All passengers originating at or destined to the City of San Clemente shall originate at or be destined to Camp San Onofre, Camp Horno, Camp San Mateo, Camp Talega or Camp Christianitos.

2. Between Disneyland, City of Anaheim, on the one hand, and Camps San Onofre, Horno, San Mateo, Talega and Christianitos, on the other hand, over and along the route hereinafter described, subject to the following condition:

All passengers originating at or destined to Disneyland, City of Anaheim, shall be destined to or originate at Camp San Onofre, Camp Horno, Camp San Mateo, Camp Talega or Camp Christianitos. Such service shall be operated on an "on-call" basis, subject to a minimum of 12 passengers.

Issued by California Public Utilities Commission.

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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS
AND SPECIFICATIONS (Continued)

4. Operations shall be conducted over and along the routes hereinafter described, subject to the following conditions:
- (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 operation in either direction unless otherwise indicated.

SECTION 2. ROUTE DESCRIPTIONS

Route No. 1. Camp San Onofre - Camp Horno

Commencing at applicant's terminal in San Clemente; thence via El Camino Real (U.S. Highway 101), Santa Ana Freeway, Basilone Road, to the Camp San Onofre gate. Return via the reverse of the going route.

Route No. 2. Camp San Mateo - Camp Christianitos - Camp Talega

Commencing at applicant's terminal in San Clemente; thence via El Camino Real (U.S. Highway 101) to the Camp San Mateo gate. Return via the reverse of the going route.

Route No. 3. Camps San Onofre, Horno, San Mateo, Talega, or
Christianitos - Disneyland, City of Anaheim

Commencing at gates to Camps San Onofre, Horno, San Mateo, Talega or Christianitos; thence via Interstate Highway 5 (San Diego Freeway and Santa Ana Freeway), Katella Avenue, Anaheim, and West Street to Disneyland. Return via reverse of going route.

END OF CERTIFICATE

Issued by California Public Utilities Commission.

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