

ORIGINAL

Decision No. 90232 APR 24 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of LOUNGE CAR TOURS, INC., for a)
certificate of public convenience)
and necessity to operate as a)
passenger stage corporation.)

Application No. 58359
(Filed September 11, 1978)

O P I N I O N

Lounge Car Tours, Inc. (Lounge Car), a New York corporation qualified to do business in California, seeks a certificate of public convenience and necessity to conduct all-expense prepaid tours commencing in Los Angeles (pickups at major hotels) and traveling to San Juan Capistrano for sightseeing and thence south to San Diego. The tour includes prepaid accommodations for two nights in San Diego, prepaid local sightseeing and admissions entrance fees, portorage, and taxes.

The proposed adult fare is \$70 with no children under the age of five years permitted. It is proposed that tours may be canceled unless six and more adult tickets are presented for transportation on the tour. If the tour customer cancels within 14 days of departure, Lounge Car proposes that it may extract a \$35 cancellation fee.

Lounge Car currently operates six Silver Eagle parlor coaches specialy fitted with 20 or 21 deluxe first-class living room seats, bathroom facilities, air conditioning, drapes, carpeting, stereophonic music system, and a refreshment center. Lounge Car alleges that it is currently negotiating for the purchase of four additional similarly equipped Silver Eagle parlor coaches.

Prior to the filing of the instant application, Lounge Car filed Application No. 57576 which seeks a certificate of public convenience and necessity to conduct similar sightseeing tours from Los Angeles to Palm Springs.

According to the application, Greyhound Lines and Gray Line have operating authority which is similar in part to the operation proposed by this application. Greyhound Lines is not opposing the granting of the application. On December 19, 1978 Lounge Cars and Gray Line filed a stipulation in which Gray Line withdrew its protest filed September 21, 1978, and Lounge Car agreed that any certificate granted by this Commission be restricted to operations involving prepaid hotel accommodations in San Diego, California, for two or more nights.

Lounge Car's balance sheet dated April 30, 1978 shows assets of \$228,601, liabilities of \$205,304, and a net worth of \$23,297.

Lounge Car alleges that the granting of the requested certificate will have no adverse impact on the environment.

Findings

1. Lounge Car possesses the necessary experience, equipment, facilities, and financial ability to provide the proposed service.
2. Public convenience and necessity require the granting of the certificate of public convenience and necessity proposed in the application.
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.
4. A public hearing is not necessary.

The Commission concludes that the application should be granted.

Lounge Car Tours, Inc. 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 Lounge Car Tours, Inc. 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, attached hereto and made a part hereof.

2. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure to do so 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 safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-Series, and the insurance requirements of the Commission's General Order No. 101-Series.

(b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service 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 service.
- (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. 79-Series and 98-Series.
- (e) Applicant shall maintain his 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 thirty days after the date hereof.

Dated at San Francisco, California,
this 24th day of APRIL, 1979.

John E. Bryson
President
James L. Sturgeon
Charles D. Shavelle
Charles J. D. Smith
James M. Smith
Commissioners

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

PSC-1064

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 90232,
dated APR 24 1979 of the Public Utilities Commission
of the State of California, in Application 58359.

	<u>INDEX</u>	<u>Page No.</u>
SECTION 1.	GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS AND SPECIFICATIONS.....	3
SECTION 2.	AUTHORIZED POINTS OF ORIGIN/TERMINATION.....	4
SECTION 3.	ROUTE DESCRIPTION.....	5

Issued by California Public Utilities Commission.

Decision No. 90232, Application No. 58359.

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

Lounge Car Tours, 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 for sightseeing or pleasure tour purposes originating and terminating at any of the points listed in Section 2, on the one hand, and various points of interest on the tour hereinafter described, on the other hand, subject, however, to the authority of this Commission to change or modify said points or tour route at any time and subject to the following provisions:

- (a) All such transportation shall be conducted on a sightseeing or pleasure tour basis.
- (b) Tours shall originate and terminate at one or more of the authorized points and 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.
- (c) All service herein authorized shall be limited to the transportation of round-trip passengers only.
- (d) Tours shall be conducted on a continuous basis except for stops for sightseeing, meals and lodging.
- (e) Tours shall include more than bare expeditious point-to-point transportation and shall provide accessorial services including, but not limited to, tour guides, restaurant meals and accommodation for lodging; tariffs shall define and include the charges for such accessorial services.
- (f) Tours shall include two or more nights of prepaid hotel accommodations in San Diego at any of the hotels listed at Note A in the Route Description, below.

Issued by California Public Utilities Commission.

Decision No. 90232, Application No. 58359.

- (g) Loading and unloading of passengers at the Beverly Hilton Hotel shall be either on hotel property or on Santa Monica Boulevard (south roadway).
- (h) Within the City of Beverly Hills, vehicles shall only traverse the streets designated as "Heavy Traffic Streets" in Section 3-6.104 of the Beverly Hills **Municipal Code**.

SECTION 2. AUTHORIZED POINTS OF ORIGIN/TERMINATION

All tours shall originate and terminate at one or more of the following locations:

<u>Location</u>	<u>County</u>
The Bonaventure Hotel	Fifth St. & Figueroa St. Los Angeles
The Wilshire-Hyatt Hotel	3515 Wilshire Blvd. Los Angeles
The Hollywood Holiday Inn	1755 Highland Av. Los Angeles
The Beverly Hilton Hotel	9876 Wilshire Blvd. Beverly Hills

Issued by California Public Utilities Commission.

Decision No. 90232, Application No. 85359.

SECTION 3. ROUTE DESCRIPTION

Beginning at one or more of the points named in Section 2, thence by the appropriate city streets to State Highway 11 (Harbor Freeway), thence via State Highway 11 to Interstate Highway 405 (San Diego Freeway), thence via Interstate Highway 405 to Interstate Highway 5, thence via Interstate Highway 5 to the City of San Juan Capistrano, thence via the appropriate city streets to view various points of interest, thence via the appropriate city streets to Interstate Highway 5, thence via Interstate Highway 5 to the City of San Diego, thence via the appropriate city streets to various points of interest and the hotels of the passengers (See Note A). Thence via the appropriate city streets to Interstate Highway 5, thence via Interstate Highway 5 to Interstate Highway 405, thence via Interstate Highway 405 to State Highway 11, thence via State Highway 11 and the appropriate city streets to the point(s) of beginning.

Note A: The following hotels are to be utilized in San Diego:

<u>Hotel</u>	<u>Address</u>
The Hanalei Hotel	2270 Hotel Circle North
The Town & Country Hotel	500 Hotel Circle North
The San Diego Hilton Hotel	1775 East Mission Bay Drive
The Islandia Hyatt House Hotel	1441 Quivira Road

(END OF CERTIFICATE)

Issued by California Public Utilities Commission.

Decision No. 90232, Application No. 58359.