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ORIGINAL

Decision No. 90600 JUL 31 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE GRAY LINE
 TOURS COMPANY for a Certificate
 of Public Convenience and
 Necessity to extend operations
 as a passenger stage corpora-
 tion in the provision of a
 sightseeing tour in and around
 Newport Beach, Orange County.

Application No. 58599
 (Filed January 15, 1979)

O P I N I O N

The Gray Line Tours Company (Gray Line) requests authority to extend its operations to transport passengers from certain of its presently existing nonexclusive pickup territories, as described in its present certificate, to the city of Newport Beach and surrounding areas within the county of Orange and return.

Gray Line presently has authority from this Commission as a passenger stage corporation to conduct sightseeing, race track, special events, and airline terminal operations within points in southern California as set forth in Appendices A and B of Decision No. 84749 as amended by Decisions Nos. 84915, 85023, 85306, 85634, 87520, 87984, and 90241.

Gray Line alleges it has received numerous requests to provide the proposed new service which has prompted the filing of its application and, according to Gray Line's knowledge, no present passenger stage carrier is now authorized

to perform a comparable service. It is believed by Gray Line that Fashion Island (Newport Beach) and Lido Island have become increasingly popular to the wives of convention delegates in the Anaheim and Los Angeles areas. Gray Line intends the tour to be fully narrated with its drivers providing commentary on the points of interest en route. Specifically, the proposed service will leave Los Angeles via the cities of Anaheim, Orange, Santa Ana, Tustin, and Irvine to Newport Beach and return, viewing such points of interest as Disneyland, Anaheim Stadium, the University of California at Irvine, the Orange County Airport, Balboa Island, Beacon Bay, and the Balboa Bay Club, with stops en route for purposes of shopping at such points as Fashion Island (Newport Beach) and lunch at Lido Island.

Gray Line intends to render the proposed service on a daily basis during the period June 11 through September 9 and on Mondays, Tuesdays, and Saturdays during the remainder of the year. It proposes adult fares of \$7.50 and children's fares at \$3.75 per person for a one-half day tour. Rules governing the service will be as set forth in Decision No. 84749. Gray Line avers that the granting of its request will have no adverse effect upon the environment and requests further that, since it is unaware of any common carrier which would be adversely affected by the granting of its application, any order of the Commission be made effective immediately and that the required tariff publication be made effective 10 days following the filing thereof. ✓

The application was duly noticed on the Commission's Daily Calendar on January 16, 1979. Copies of the application were served on the counties of Los Angeles and Orange and on the cities of Anaheim, Buena Park, Irvine, Long Beach, Los Angeles, Orange, Newport Beach, Santa Ana, and Tustin. A protest to the application was filed by Orange Coast Sightseeing Company, which was later withdrawn upon its entering into the following stipulation with Gray Line:

"If Gray Line fails to conduct operations under the authority granted for a consecutive twenty-four (24) month period from either Los Angeles or from one or more of its non-exclusive pickup territories, the authority granted, upon petition of Orange Coast Sightseeing Company, shall be deemed abandoned and deleted from the Gray Line certificate."

No protest, other than mentioned which was later withdrawn, was received.

The Commission finds that:

1. Gray Line has the operating personnel, equipment, and the financial ability to conduct the operation as proposed. ✓
2. Public convenience and necessity require the additional operations proposed by Gray Line. ✓
3. It can be seen with certainty that there is no possibility that the passenger stage operation involved in this proceeding may have a significant effect on the environment.
4. A public hearing is not deemed necessary in this matter.

The Commission concludes that a certificate of public convenience and necessity to operate as a passenger stage corporation should be granted to Gray Line to the extent set forth in the ensuing order.

Gray Line 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 granting 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 applicant, Gray Line Tours Company, a corporation, authorizing it to extend operations as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between and within the cities of Los Angeles and Newport Beach via the cities of Anaheim, Orange, Santa Ana, Tustin, and Irvine.
2. Appendix A of Decision No. 84749, as heretofore amended, is further amended by incorporating Fifth Revised Page 6 and Second Revised Page 23, attached hereto, in revision of Fourth Revised Page 6, and First Revised Page 23.
3. If applicant fails to conduct operations under the authority granted herein for a consecutive twenty-four month period from either Los Angeles or from one or more of its nonexclusive pickup territories, the authority granted, upon petition of Orange Coast Sightseeing Company, shall be deemed abandoned and deleted from applicant's certificate.
4. 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 administered by the California Highway Patrol, the rules and other regulations of the Commission's General Order 98-Series, and the insurance requirements of the Commission's General Order 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 79-Series and 98-Series.


- e. Applicant 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, from time to time, shall prescribe.

The effective date of this order shall be the date hereof as it would be in the public interest for applicant to institute the tour at the earliest possible date.

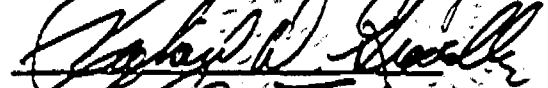
Dated JUL 31 1979, at San Francisco, California.




President



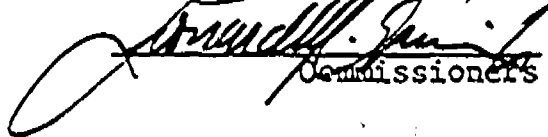
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*Added by Decision 90600, Application No. 58599.

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SECTION IV, Nonexclusive Pickup Territories, San Diego Area.

- 525 Greater Los Angeles Tour: This tour covers, by way of example, points of interest located within the Cities of Los Angeles, Burbank, Universal City, Pasadena, San Marino, Arcadia, Glendale, La Canada-Flintridge, South Pasadena, and Beverly Hills, and the unincorporated portions of Los Angeles County encompassed within the city limits of Los Angeles, such as the Los Angeles Civic Center, Dodger Stadium, Coliseum and Sports Arena, St. Vincent's Church, St. Sophia's Cathedral, Farmers Market and Mann's Chinese Theatre, Beverly Hills Business District, West Hollywood Decorators & Antiques District, Glendale Forest Lawn, Pasadena Rose Bowl, California Institute of Technology, the San Marino, South Pasadena, and La Canada-Flintridge residential districts, the Arcadia-Los Angeles County Arboretum, Santa Anita Racetrack, California Institute of Technology Jet Propulsion Laboratory, and Descanso Gardens; provided, however, that operations within the City of Beverly Hills shall be restricted to the traversal of Santa Monica and Beverly Boulevards.
- *530 Newport Beach Shopping and Sightseeing. Leaving Los Angeles via the Cities of Anaheim, Orange, Santa Ana, Tustin, and Irvine to Newport Beach and return, viewing such points of interest as Disneyland, Anaheim Stadium, the University of California at Irvine, The Orange County Airport, Balboa Island, Beacon Bay, and the Balboa Bay Club, with stops en route for purposes of shopping at such points as Fashion Island (Newport Beach) and lunch at Lido Island.
- 600 Nonexclusive Pickup Territories; as used herein, shall be used for the tours specified in Section V of this certificate.
- 605 Coronado Territory: Coronado territory includes that territory located within the city limits of the City of Coronado, California.
- 610 Palm Springs Territory: Palm Springs territory includes that territory located within the city limits of the City of Palm Springs, California.
- 615 San Diego Territory: San Diego Territory includes that territory located within the city limits of the City of San Diego, California.

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*Added by Decision _____, Application No. 58599.