Decision **PROPOSED DECISION OF ALJ YACKNIN (Mailed 8/12/16)**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PropSF, LLC for authority to operate as a scheduled vessel common carrier between points in Redwood City, Alameda City, San Rafael, Emeryville, Oakland, San Leandro, and San Francisco and to establish a Zone of Rate Freedom.	Application 15-08-014 (Filed August 17, 2015)
And Related Matter.	Application 15-12-021 (Filed December 23, 2015)

DECISION GRANTING VESSEL COMMON CARRIER AUTHORITY

Summary

This decision grants a certificate of public convenience and necessity to, separately, PropSF, LLC, and Tideline Marine Group, Inc., to operate as a scheduled vessel common carrier between points in the San Francisco Bay, and authority to Tideline Marine Group, Inc., to operate an unscheduled, on-call water taxi service between points in the San Francisco Bay, and grants the applicants' requests for a Zone of Rate Freedom.

This proceeding is closed.

1. Procedural Background

Public Utilities Code (Pub. Util. Code) § 1007 prohibits the operation of "any vessel for the transportation of persons or property, for compensation, between points in this state, without first having obtained from the Commission

a certificate declaring that the public convenience and necessity require such operation…."[1] This requirement applies to both scheduled and unscheduled, on-demand "water taxi" service using vessels over 30 feet in length and over five tons net register. (*See*, e.g., Harbor Carriers, Inc., Decision (D.) 79154, 72 CPUC 518, 1971 Ca. PUC LEXIS 217; Doug Bombard Enterprises, D.83-06-015, 11 CPUC2d 1015, 1983 Cal. PUC LEXIS 345; California Inland Pilots Association, D.83-09-059, 12 CPUC2d 640, 1983 Cal. PUC LEXIS 494; Catalina Channel Express, Inc., D.91-10-034, 41 CPUC2d 477, 1991 Cal. PUC LEXIS 689.)[2]

By Application (A.) 15-08-014,[3] PropSF, LLC (PROP) seeks vessel common carrier authority to provide scheduled service between San Francisco and Redwood City for $15 each way, between San Francisco and Emeryville for $10 each way, between San Francisco and Berkeley for $10 each way, and between Emeryville and Redwood City for $20 each way, and between Berkeley and Redwood City for $20 each way, using a single 36-passenger, 39-foot high-speed catamaran. PROP also seeks authority to adjust its fares by 15 percent above and below the base fares under a Zone of Rate Freedom (ZORF).

By A.15-12-021, Tideline Marine Group, Inc. (Tideline) seeks vessel common carrier authority to provide scheduled service during weekday commute hours between San Francisco and Emeryville and between

[1] Pub. Util. Code § 238(a) excludes vessels under 30 feet in length and under five tons net register from the definition of "vessel."

[2] Although Tideline disputes whether it requires vessel common carrier authority to provide this water taxi service, which it has been providing since 2012, Tideline states that it "has utterly no interest in breaking new legal ground," and now seeks such authority in order to "moot any question in that regard." (Tideline response to July 13, 2016, ALJ ruling, pp. 5 and 6, emphasis in original.)

[3] As amended.

San Francisco and Berkeley for $25 per round trip (or for a discounted fare of $18.75 when a monthly 20-ride pass is purchased),[4] as well as for prearranged, on-demand water taxi service between points in San Francisco, Marin and the East Bay for $50 per passenger between any two points served and $80 per passenger for a round trip. Tideline identifies three vessels to initially provide the proposed services: 1) a 54-foot, 43-passenger vessel, 2) a 56-foot, 43-passenger vessel, and 3) a 40-foot, 12-passenger vessel. Tideline also seeks authority to adjust its fares by 20 percent above and below the base fare under a ZORF.

The San Francisco Bay Area Water Emergency Transportation Authority (WETA) filed protests to the applications asking the Commission to require the applicants to apply to the Commission for authority to alter any of the essential terms of their services and to provide notice of such application to WETA. Blue & Gold Fleet also filed a protest to PROP's application, although it subsequently withdrew it.

A joint prehearing conference was held on May 10, 2016, to identify the applications' issues of law and fact, consider whether the applications should be consolidated due to their common issues of law and fact, and determine the need for hearing and schedule for resolving the matters.

The assigned Commissioner's May 17, 2016, scoping memo consolidated the proceedings and identified the issues to be determined as follows:

[4] Tideline proposes to initially operate its scheduled services only one day a week and only between Berkeley and San Francisco, and to add to the number of days per week and routes as circumstances warrant; Tideline proposes to advise the Commission and the public of such incremental expansion by filing an amendment to its tariffs.

1. Will the proposed activities result in a direct or reasonably foreseeable indirect physical change in the environment such that environmental review pursuant to the California Environmental Quality Act (CEQA) is required?

2. Do the proposed services serve a public convenience and necessity? Pursuant to Decision (D.) 07-06-026, this overarching issue encompasses the following considerations:

   a. Is there now or likely to be a demand for the services?

   b. Is the applicant fit to serve the need?

   c. What would be the impact on other competitors if the respective applicants are granted authority?

   d. Is there Commission precedent for authorizing scheduled passenger vessel service along similar routes?

3. Can the proposed routes be operated safely? This issue takes into consideration the overlap between the applicants' proposed scheduled services between San Francisco and Emeryville and between San Francisco and Berkeley.

4. Should the applicants be allowed to alter fares for the proposed services within their requested ZORFs? Pursuant to D.98-12-016 extending this ratesetting concept to passenger vessel carriers, this issue turns on whether competition exists between substantially similar established carriers. (*See* Conclusion of Law 3.) However, parties may present argument as to whether other policy or law supports the grant of this authority in the absence of competition between substantially similar established carriers.

5. Do vessel common carriers have the discretion to alter the essential terms of their authorized services without Commission authority? If so, should the applicants nevertheless be required to apply for Commission authority to alter

the essential terms of their authorized services? And, in any event, should the applicants be required to serve notice of any such application on WETA?

2. Need for Environmental Review

The Commission is obliged to determine whether an application for authority to operate as a vessel common carrier is subject to environmental review pursuant to CEQA (*See*, e.g., D.16-02-024 at 8), and we do so here. CEQA requires the lead permitting agency to conduct an environmental review of any "project" for consideration in determining whether to grant the requested authority. CEQA Guideline § 15378(a) defines "project" in relevant part as follows:

> "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, and that is … [a]n activity involving the issuance to a person of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies.

In this case, the applicants' operations will employ existing landing site facilities and a single 36-foot vessel (by PROP) and three vessels ranging from 40 to 56 feet (by Tideline). Operation of their vessels is subject to the rules, regulations, and requirements of the United States Coast Guard, including applicable Vessel Traffic System requirements. These operations will not result in a direct physical change to the environment or a reasonably foreseeable indirect physical change in the environment. Accordingly, the activity is not a

"project" or, therefore, subject to environmental review pursuant to CEQA.[5]

3. Public Convenience and Necessity

3.1. Demand for Service

There is no dispute that the San Francisco Bay Area faces increasing traffic and public transportation congestion, as the Metropolitan Transportation Commission's (MTC) press release regarding its 2015 study on Bay Area traffic congestion reflects.[6] The proposed scheduled service routes would provide a fast commute around the Bay Area's most congested areas as identified by the MTC.

The Port Commission of San Francisco, the Bay Area Council, and the Caltrain Commuter Coalition have conducted studies leading to their conclusions that expanded ferry and water taxi services are in demand and would help alleviate congestion.[7]

Tideline has been providing the unscheduled, on-call water taxi service for which it also seeks authority since 2012, which is indicative of demand for that service. Tideline conducted surveys of its riders that confirm their interest in Tideline's proposed scheduled service as well, and potential customers have actively contacted Tideline seeking such services.

Under these facts, we find that there is a demand for the applicants' current and proposed services.

3.2. Applicants' Fitness

[5] Commission precedent has routinely found that applications for authority to operate as vessel common carriers (where existing landing site facilities are used) are not subject to environmental review pursuant to CEQA because here "there is no possibility that the proposed service will have a significant effect on the environment." (*See*, e.g., D.04-08-032, ¤ D.03-06-061, D.00-09-021, D.96-09-029, and D.94-09-023.) However, we note that the more proper articulation of the test of whether the activity is a "project" subject to CEQA is as set forth in CEQA Guideline § 15378(a).

[6] *See* Exhibit 3 to PROP's opening brief.

[7] *See* Exhibits F and H to A.15-08-014.

PROP and Tideline demonstrate that they are financially and operationally fit to provide the proposed services.

PROP's financial statement of its assets and liabilities shows that it is financially able to provide its proposed services, and it has added new investors and attracted a number of additional potential investors since it initially filed this application. PROP has been operating on the San Francisco Bay as a for-hire charter since November 2015, operating every weekday to four landing sites, and using the vessel that it will use to provide the proposed services.

Likewise, Tideline's financial statements show that its assets include a substantial amount of cash, and it has a credit agreement that will provide it with the cash flow necessary to offer the proposed services. Tideline has been operating as a for-hire vessel carrier registered with the Commission since August 21, 2012. Tideline maintains a physical land facility in Sausalito with 24-hour communication and monitoring capability and a line of sight on commercial operations in the Bay.

The applicants have the financial resources and operational experience to demonstrate their fitness to provide the proposed services.

3.3. Impact on Competitors

Consistent with Commission precedent, we consider the impact of the proposed services on existing vessel common carriers. As we have stated, "The Commission has generally favored competition in the market for [vessel common carrier] services but each application for a new license in an existing market has to be examined in the light of specific facts about existing service in that market." (D.07-06-026 at 2.)

Currently, there are no existing vessel common carriers that provide PROP's or Tideline's proposed scheduled services, and no party raises any

concern regarding PROP's or Tideline's potential impact on the market for their respective proposed services or for any other existing vessel common carrier services. Accordingly, we do not identify any impacts on the vessel common carrier market that require consideration in this matter.[8]

4. Safety of Operations

The applicants' proposed operations are subject to the rules, regulations and requirements of the United States Coast Guard. These include safety training and coordination and communication with the Coast Guard's Vessel Traffic System. Adherence to those requirements will reasonably ensure the safety of the applicants' operations, including their operations along similar scheduled routes.

5. Zone of Rate Freedom

PROP and Tideline request authority to adjust their fares by 15 percent and 20 percent, respectively, above and below their base fares under a ZORF.

Pub. Util. Code § 451 requires that "[a]ll charges demanded or received by any public utility for … any service rendered or to be rendered shall be just and reasonable…." Pub. Util. Code § 454.2 allows a ZORF for a passenger transportation service "which is operating in competition with other passenger transportation service from any means of transportation, if the competition

[8] In its opening brief, Tideline did not directly address the issue of how the proposed operations might impact existing common carriers, but instead argued that this issue is moot because the Commission no longer protects market incumbents from competition. (Tideline opening brief, pp. 4, 9-10.) However, in sur-reply to WETA's and Blue & Gold Fleet's arguments that the Commission has not abandoned our approach of considering its impacts when assessing the merits of an application for a new license (with which we agree), Tideline argues that its disagreement need not be resolved in this proceeding because it does not affect the outcome of this proceeding (with which we likewise agree). (Tideline sur-reply brief, pp. 6-7.) Thus we do not reach the merits of Tideline's disagreement with the relevance of this issue.

together with the authorized zone of rate freedom will result in reasonable rates and charges for the passenger stage transportation service." By D.98-12-016, the Commission granted a ZORF for a vessel common carrier serving points between the California mainland and Santa Catalina Island where it found there to be competition for the applicant's services "by substantially similar vessel carriers on all cross-channel routes that the applicant serves," based on the legal conclusion that it was "consistent with reliance upon competition to regulate the transportation marketplace, where competition exists between substantially similar established carriers." (D.98-12-016, Finding of Fact 2 and Conclusion of Law 3.)

Tideline asserts that the Commission should interpret D.98-12-016's reference to "substantially similar established carriers" in the same way as Pub. Util. Code § 454.2's reference to "passenger service from any other means of transportation," and recognize that Tideline will be competing with "other means of transportation" including public and private ground transportation. We decline to strain the plain meaning of "substantially similar established carriers." Moreover, doing so would not render D.98-12-016 applicable to the facts at hand as that decision turned not only on the presence of competition on the particular routes in question, but also on a need for the applicant to respond quickly to changing circumstances in the market including seasonal fluctuations. Those facts are not shown to be present here.

However, we are not bound by the precedent set by D.98-12-016. And so, we undertake to consider whether the facts of this case merit the grant of rate flexibility. The undisputable fact is that there is a robust market for commuter services between the points to be served by PROP and Tideline, including public transit, ~~transportation network companies~~charter party carriers, and private

transportation. While PROP's and Tideline's proposed services offer a unique opportunity to avoid the commute traffic on Bay Area highways, the existing market is sufficiently robust so that the applicants' exercise of rate flexibility is unlikely to undermine it. Under these circumstances, it is reasonable to allow PROP and Tideline the rate flexibility to determine fares based on market forces.

We likewise find PROP's and Tideline's proposed fares to be just and reasonable pursuant to Pub. Util. Code § 451.[9]

PROP compares its proposed one-way fares of $10 to $20 to fares offered by scheduled ferries operating in the San Francisco Bay (one-way fares of $6.40 to $14.20, offered by Blue and Gold Fleet and WETA, respectively) and unscheduled ferries ($50 to $80 per person, offered by Tideline). (PROP amended application, p.4.) Tideline notes that its proposed round-trip fare of $25 (and discounted rate of $18.75) for scheduled service is higher than those charged by existing ferries, but submits that it is targeting a higher paying customer by offering a higher grade of service and additional amenities. (Tideline application, p.7.) Tideline proposes a one-way fare of $50 and a round-trip fare of $80 for its unscheduled service, which it has been providing since 2012. The commuter services market is sufficiently robust to determine these rates to be reasonable on the basis of these comparisons to existing market rates.

6. Authority to Alter Essential Terms of Service

WETA asks that the Commission require PROP and Tideline to file an application to seek authorization to modify any of the essential terms of services approved herein. As discussed below, no party asserts that a carrier has the discretion to modify its approved essential terms of service without Commission

[9] "All charges demanded or received by any public utility … for … any service rendered or ⌘ to be rendered shall be just and reasonable….."

authorization or that it may seek such authorization other than by formal application to the Commission, and we have no basis to find otherwise.

PROP concedes that such authorization is required under current rules, although it suggests that the Commission open a rulemaking to consider "modernizing" rules related to vessel common carriers to obtain such modifications by advice letter. We take PROP's suggestion under submission.

PROP also ~~ask~~asks for clarification as to what falls within the definition of "essential terms of service" to which modifications require Commission authorization. The proposed decision as originally drafted clarified that the term "essential terms of services" refers to the vessel type, schedule and fares (and any other specifications as may be) indicated in the carrier's certificate of public convenience and necessity, but did not specify the vessel type in the certificates attached thereto. In its comments on the proposed decision, WETA pointed out this inconsistency, and argues that it is necessary that the certificates granted in this proceeding be limited to use of the vessel types the applicants have proposed so that the Commission can be confident that the authorized services will not result in physical changes in the environment or have impacts on the vessel common carrier market.[10] (WETA comments, p.4.)

PROP, in its reply comments on the proposed decision, objects to listing the specific vessel in the certificate as overly narrow and posits that the specification of "vessel type" in the certificate should be limited to passenger seating capacity, consistent with General Order 111-C which governs vessel common carrier insurance matters. (PROP reply comments, pp. 2-3.) Specifically, General Order 111-C requires vessel common carriers to obtain

[10] WETA also pointed out that the proposed decision as originally drafted erroneously referenced "landing sites" as an essential term of service, contrary to the remainder of the discussion and the certificate. The proposed decision was modified to correct that error.

insurance commensurate with the seating capacity of each vessel in commercial operation, and categorizes such seating capacity in terms of ranges (i.e., 1-99 passengers, 100-199 passengers, etc.) PROP's recommendation is reasonable, as it will enable the Commission to verify compliance with the insurance requirements of General Order 111-C.

Blue & Gold Fleet asks the Commission to require, as a condition to the applicants' operating authority, that they provide notice of applications for changing the essential terms of service on Blue & Gold Fleet and WETA. This request is reasonable as it provides transparency and notice to potential competitors, and we grant it.

WETA asks the Commission to require, as a condition to the applicants' operating authority, that they provide notice of changes to any landing sites, service routes, or service schedules authorized by the Commission or pursuant to any "for-hire vessel operator's license" issued by the Division of Boating and Waterways. As discussed above, and as WETA acknowledges, vessel common carriers must seek Commission authority for modifications, which include service routes and schedules. WETA suggests no reason, and none is apparent, for this Commission to condition the applicants' operating authority on notice of the use of specific landing sites, which are subject to the approval of the property owners of, or government entity regulating, such sites, or to changes to the applicants' authority under any license issued by the Division of Boating and Waterways. Accordingly, we deny WETA's request to the extent that it concerns elements of service that are outside of the applicants' essential terms of service.

7. Assignment of Proceeding

Liane Randolph is the assigned commissioner and Hallie Yacknin is the assigned administrative law judge for the proceeding.

8. Comments on Proposed Decision

The proposed decision of Administrative Law Judge Hallie Yacknin in this matter was mailed to the parties in accordance with Pub. Util. Code § 311 and comments were allowed pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on September 1, 2016, by PROP and WETA, and reply comments were filed on September 6, 2016, by PROP and Tideline. We adopt the proposed decision, as modified by the administrative law judge in response to comments.

Findings of Fact

1. PROP's and Tideline's proposed operations will not result in a direct physical change to the environment or a reasonably foreseeable indirect physical change in the environment.

2. There are currently no public ferry operations providing service between San Francisco and Berkeley, San Francisco and Emeryville, or San Francisco and Redwood City.

3. There is demand for increased ferry and water taxi services in the Greater San Francisco Bay.

4. PROP and Tideline are operationally and financially fit to provide their proposed services.

5. PROP's and Tideline's proposed services will not have any identified impact on the vessel common carrier market.

6. The applicants' operations are subject to the rules, regulations and requirements of the United States Coast Guard, including safety training and communication and coordination with the Coast Guard's Vessel Traffic System.

7. There is a robust market for commuter services between the points to be served by PROP and Tideline, including public transit, transportation network

companies, and private transportation, so that the applicants' exercise of rate flexibility is unlikely to undermine it.

Conclusions of Law

1. The proposed operations are not a "project" as defined under, or therefore subject to environmental review pursuant to, CEQA.

2. There is a public convenience and necessity need for PROP's and Tideline's proposed services.

3. Adherence to the rules, regulations and requirements of the United States Coast Guard, including applicable Vessel Traffic System requirements, will reasonably ensure the safety of the applicants' operations, including their operations along similar scheduled routes.

4. It is reasonable to allow PROP and Tideline the rate flexibility to adjust their fares within 15 and 20 percent, respectively, above and below their base rates.

5. Modifications to a vessel common carrier's essential terms of services as set forth in its certificate of public convenience and necessity may only be made by Commission authorization upon formal application to the Commission.

6. It is reasonable to require the applicants to serve any future application to change their essential terms of service on WETA and Blue & Gold Fleet L.P., in addition to any other service as may be required by statute or Rule of Practice and Procedure.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to PropSF, LLC, (PROP) (Attachment 1 to this order) and to Tideline Marine Group, Inc.

DBA Tideline Water Taxi (Attachment 2 to this order) authorizing them to operate as a vessel common carrier, as defined in Section 238 of the Public Utilities Code, to transport persons and their baggage subject to the following conditions. PROP and Tideline Marine Group, Inc. shall:

a. Submit a written acceptance of this certificate to the Consumer Protection and Safety Division within 30 days after this order is effective.

b. Comply with General Orders Series 87, 104, 111, and 117.

c. Maintain accounting records in conformity with the Uniform System of Accounts.

d. Remit to the Commission the Transportation Reimbursement Fee required by Public Utilities Code Section 423 when notified by mail to do so.

e. Establish the authorized service and submit a letter to the Commission providing the fares and schedules approved by this order within 120 days after this decision is effective.

2. PropSF, LLC, and Tideline Marine Group, Inc., shall comply with all the rules, regulations, and requirements of the United States Coast Guard, including applicable Vessel Traffic System requirements, in the operation of the service authorized.

3. PropSF, LLC, and Tideline Marine Group, Inc., are each authorized to begin operations on the date that the Consumer Protection and Safety Division mails a notice to them that their respective evidence of insurance and other documents required by Ordering Paragraph 1 have been filed with the Commission.

4. PropSF, LLC may adjust its authorized fares within 15 percent above and below its approved fares upon notice to the Commission and the public.

5. Tideline Marine Group, Inc. may adjust its authorized fares within 20 percent above and below its approved fares upon notice to the Commission and the public.

6. PropSF, LLC, and Tideline Marine Group, Inc., shall serve notice of any of their respective applications to modify their essential terms of service on the San Francisco Bay Area Water Emergency Transportation Authority and the Blue & White Fleet.

7. All pending motions are deemed denied.

8. Application (A.) 15-08-014 and A.15-12-021 are closed.

This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT 1

Appendix VCC- PropSF, LLC (a corporation) Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A VESSEL COMMON CARRIER

VCC-

Showing vessel common carrier operative rights, restrictions, limitations, exceptions, and privileges.

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.

Appendix VCC- PropSF, LLC (a corporation) Original Page 1

PropSF, LLC, a corporation, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to operate scheduled service as a vessel common carrier to transport passengers and their baggage and bicycles between San Francisco and Redwood City, San Francisco and Emeryville, San Francisco and Berkeley, and San Francisco and Redwood City, subject, however, to the authority of this Commission to change or modify this authority at any time, and subject to the following conditions:

A. No vessel shall be operated unless it has met all applicable safety requirements, including those of the United States Coast Guard.

B. Service is by vessel with a passenger seating capacity of 1-99 passengers.

Scheduled service is Monday through Friday as follows:

Morning Commute Routes with DEPARTURE and ARRIVAL times:

Route 1	Emeryville	6:30 AM	→ San Francisco	6:44 AM
Route 2	San Francisco	6:46 AM	→ Berkeley	6:58 AM
Route 3	Berkeley	7:00 AM	→ San Francisco	7:15 AM
Route 4	San Francisco	7:17 AM	→ Redwood City	7:57 AM
Route 5	Redwood City	8:00 AM	→ San Francisco	8:40 AM
Route 6	San Francisco	8:42 AM	→ Emeryville	8:58 AM
Route 7	Emeryville	9:00 AM	→ San Francisco	9:15 AM
Route 8	San Francisco	9:17 AM	→ Emeryville	9:32 AM

Afternoon Commute Routes with DEPARTURE and ARRIVAL times:

Route 9	Emeryville	4:30 PM	→ San Francisco	4:44 PM
Route 10	San Francisco	4:46 PM	→ Berkeley	4:58 PM
Route 11	Berkeley	5:00 PM	→ San Francisco	5:15 PM
Route 12	San Francisco	5:17 PM	→ Redwood City	6:02 PM
Route 13	Redwood City	6:05 PM	→ San Francisco	6:45 PM
Route 14	San Francisco	6:47 PM	→ Berkeley	7:02 PM
Route 15	Berkeley	7:04 PM	→ San Francisco	7:19 PM
Route 16	San Francisco	7:21 PM	→ Emeryville	7:36 PM

Route times are estimates and subject to minor change.

C. Fares are:

San Francisco ↔ Redwood City:	$15.00
San Francisco ↔ Emeryville:	$10.00
San Francisco ↔ Berkeley:	$10.00
Emeryville ↔ Redwood City:	$20.00

Additional charge for Carriage of a Passenger's Bicycle: $5.00

Fares may be adjusted by within 15 percent above and below upon notice to the Commission and the public.

D. This certificate does not authorize the holder to conduct any operation where any parking and docking facilities or other requirements regulated by the governments, unless such operation is approved by the government involved.

ATTACHMENT 2

Appendix VCC- Tideline Marine Group, Inc. Original Title Page
(a corporation doing business as Tideline Water Taxi)

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A VESSEL COMMON CARRIER

VCC-

Showing vessel common carrier operative rights, restrictions, limitations, exceptions, and privileges.

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.

Appendix VCC- Tideline Marine Group, Inc. Original Page 1
(a corporation doing business as Tideline Water Taxi)

Tideline Marine Group, Inc., a corporation doing business as Tideline Water Taxi, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to operate scheduled and unscheduled service as a vessel common carrier to transport passengers and their baggage and bicycles between points and places in the San Francisco Bay and its navigable tributaries, subject, however, to the authority of this Commission to change or modify this authority at any time, and subject to the following conditions:

A. No vessel shall be operated unless it has met all applicable safety requirements, including those of the United States Coast Guard.

B. Service is by vessel with a passenger seating capacity of 1-99 passengers.

C. Unscheduled service is between points in San Francisco, Marin, and the East Bay.

D. The fare for unscheduled service is $50 per passenger between any two points served and $80 per passenger for a round trip, and may be adjusted by within 20 percent above and below upon notice to the Commission and the public.

E. Scheduled service is between San Francisco and Berkeley and between San Francisco and Emeryville, operating Monday through Friday from 6:00 a.m. to 9:30 a.m. and from 4:00 p.m. to 7:30 p.m., and

departing every 50 minutes.

F. The fare for scheduled service is $25 per round trip, or $18.75 when a monthly 20-ride pass is purchased, and may be adjusted by within 20 percent above and below upon notice to the Commission and the public.

G. This certificate does not authorize the holder to conduct any operation where any parking and docking facilities or other requirements regulated by the governments, unless such operation is approved by the government involved.

(END OF ATTACHMENT)