

**ORIGINAL**Decision No. 39958

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of John C. Hastie, dba 29 Palms )  
Stages, authorization to increase ) Application No. 28118  
passenger and freight rates. )

Appearances

Frederick S. Wing, for applicant.  
A. S. Wood, for Joshua Tree Chamber of  
Commerce.  
M. G. Watkins, for 29 Palms Chamber of  
Commerce.

O P I N I O N

John C. Hastie, dba 29 Palms Stages, operates as a passenger stage corporation between Banning and 29 Palms, a distance of 61 miles. He seeks increases in his passenger fares and express rates.

A hearing was had before Examiner Krause at 29 Palms on January 29, 1947.

Applicant's operations for the 12 months ended September 30, 1946, according to the profit and loss statement of record, were conducted at a loss of \$1,026. The record shows that Hastie conducts the entire operation, including driving the equipment, with the help of an office assistant who is employed four hours a day. Hastie received no compensation for his services which he valued at \$300 per month. With a salary allowance, the indicated loss becomes \$4,626.<sup>1</sup> After giving effect to several adjustments this loss is reduced to approximately \$3,400.

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<sup>1</sup> It was explained that applicant has had to depend on sources outside of his passenger stage business, which takes the bulk of his time, for his livelihood.

Applicant estimated that the proposed fare increases would result in a passenger traffic diversion of approximately 10 per cent.<sup>2</sup> The accountant calculated that had the sought passenger fares and express rates been in effect during the period studied, \$3,264 additional revenue would have been realized. This amount would be slightly less than is necessary to retire the actual loss sustained and make provision for the owner's salary. In addition, applicant proposes to substitute Yucca Village for the present fare point Warren's Well; to eliminate Coyote Wells as a fare point; and to establish Joshua Tree as a new fare point located several miles west of Coyote Wells. It was explained that the proposed change from Warren's Well to Yucca Village represents a change in name only. All that is required to effect this change is to make an appropriate tariff filing. With regard to the proposed cancellation of Coyote Wells and establishment of Joshua Tree as the fare point, applicant explained that except for a gasoline station there is no development at Coyote Wells, whereas Joshua Tree has become an important fare point. He stated that Joshua Tree is presently accorded the Coyote Wells fares. He contended that such fares, when increased as proposed, would be proper for application to and from Joshua Tree.

The application was supported by the 29 Palms and Moronga Valley Chambers of Commerce and by individuals residing at points served by applicant. The Joshua Tree Chamber of Commerce opposed the application in so far as it proposes passenger fare increases. Its witness expressed the opinion that if schedules were regularly operated out of 29 Palms in the morning instead of the evening, as at present, applicant's load factor would be doubled and the need

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The proposed fares are double the existing fares. The sought express rates approximate a 57 per cent increase, on an over-all basis.

for increased fares would be obviated. All of the witnesses testified to the necessity for applicant's service.

Several of the witnesses supporting the application concurred in the proposal to change from evening to morning schedules. This would necessitate the changing of the home terminal from Banning to 29 Palms where terminal costs would, the record shows, be substantially higher<sup>3</sup> and doubt was expressed whether this change would increase the over-all revenue.

Applicant's need for the requested rate increases is immediate and substantial. Although schedule changes may be desirable and should be given further consideration they will not meet his revenue requirements. The application will be granted.

Upon consideration of all the facts of record we are of the opinion and find that the increases involved in this proceeding are justified.

#### ORDER

Hearing having been had in the above entitled application and based upon all of the evidence and upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that John C. Hastie, dba 29 Palms Stages, be and he is hereby authorized, on not less than three (3) days' notice to the Commission and to the public, to establish the increases in express rates and passenger fares proposed in the application, as amended; cancel rates to and from Coyote Wells; and establish to and from Joshua Tree the present basis of rates in effect to and from Coyote Wells, said rates to be increased as authorized herein.

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<sup>3</sup> It was developed that at present there are no suitable facilities available at 29 Palms.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall be void unless the rates and charges authorized in this order are published, filed and made effective within sixty (60) days from the effective date hereof.

This order shall become effective ten (10) days from the date hereof.

Dated at San Francisco, California, this 11th day of February, 1947.

Harold P. Kule  
Justice F. Cassen  
Just. Kavelle  
A. E. ...  
Constance Patten  
 Commissioners