

ORIGINAL

Decision No. 41953

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CHARLES A. CHRISTENSON and JOHN T.)
SMITH for authority to temporarily)
suspend operations for a period of) Application No. 29428
one year, their passenger stage)
operations between Rodeo and adjacent)
points.)

JOHN T. SMITH and CHARLES A. CHRISTENSON, in propria
persons.

O P I N I O N

Charles A. Christenson and John T. Smith, partners, were granted a certificate to provide passenger stage service between Rodeo and adjacent communities and intermediate points (Decision No. 39129, Application No. 27469). In this proceeding they request authority to suspend that operation for a period of one year subject to the privilege of re-establishing the service at any time prior to the termination of the suspension period if justified by public need.

Public hearing thereon was had before Examiner Paul on August 6, 1948, at Rodeo and the matter was submitted. No one opposed the granting of the application.

One of the partners testified that operation under the certificate granted was established about the first of September, 1946 and that the gross operating revenues and expenses of the operation for the months of September, October, November and December,

1946, amounted to \$1,828.10 and \$3,775.41, respectively, resulting in a net loss from operations for those four months of \$1,947.31. The expenses of operation for those months included an item of wages for two drivers amounting to \$1,586.38. Thereafter and beginning with the year 1947, the partners discontinued employment of drivers. This function was then filled by one of the partners and the wives of each of the partners. During all this time each of the partners held other employment. The witness also testified that the gross operating revenues and expenses from the operation for 1947 were \$4,963.20 and \$4,957.05, respectively, resulting in a net operating gain of \$6.15. Exhibit No. 1, which reflects the results of the operation for the first five months of 1948, shows a net loss from the operation of \$531.24. It was pointed out by the witness that the operating expenses for the period January 1, 1947, to and including May 31, 1948, includes no allowances for wages for drivers nor for any withdrawals by the partners. It was shown that revenues from the operation and resources of the partnership are insufficient at this time to meet the expenses of the service and the costs of necessary general reconditioning of the single unit of equipment used.

(1) Expenses - 1948

	Jan.	Feb.	March	April	May	Totals
Gas and oil	\$ 61.69	\$ 64.32	\$56.56	\$52.75	\$40.32	\$ 275.64
Repairs	76.50	98.82	64.50	58.00	66.00	363.82
Taxes	7.41	6.68	2.84	4.62	4.58	26.13
Office and Supplies	45.95	45.05	45.81	42.13	35.00	213.94
Insurance	90.00	90.00	90.00	90.00	90.00	450.00
Depreciation	54.00	54.00	54.00	54.00	54.00	270.00
	<u>\$335.55</u>	<u>358.87</u>	<u>313.71</u>	<u>301.50</u>	<u>289.90</u>	<u>\$1599.53</u>
Revenues - 1948	Jan.	Feb.	March	April	May	Totals
	\$247.00	222.60	283.35	162.74	152.60	\$1068.29
						NET LOSS \$531.24

A large part of the revenues of the operation has been obtained from the transportation of school children which, according to the witness, accounts for the drop in revenue during the summer season. In the southeasterly part of Rodeo a new school is being erected, and a new subdivision is planned which will include approximately 450 new homes about 30 of which are now completed. It was the opinion of the witness that upon the completion of this school and of a substantial number of new homes, sufficient additional revenue could probably be developed to justify reestablishment of the service within the next year.⁽²⁾

While a careful review of the evidence in this proceeding leads to the conclusion that it is in the public interest to authorize applicants to suspend their operations for a temporary period, it is our judgment that said service should be reestablished if justified by public need. If such need is not justified by the end of a one year period, applicants should relinquish the operative right. The application will be granted on that basis.

O R D E R

An application therefor having been filed, a public hearing had thereon, the Commission being fully informed therein, and good cause appearing,

(2) Tariffs of applicants show that a one-way adult cash fare of 10 cents is charged. The fare for school children is five cents.

IT IS ORDERED that Charles A. Christenson and John T. Smith are hereby authorized to suspend until September 1, 1949, the passenger stage service between the points which they were authorized to serve by Decision No. 39129; provided, however, that on or prior to September 1, 1949, applicants shall resume the operation of said service when public convenience and necessity so require. A condition of this authority is that the operative right created by said Decision No. 39129 shall be relinquished by applicants if service thereunder is not reestablished on or prior to September 1, 1949. In the exercise of the authority herein granted the following service regulations shall be observed:

1. Applicants, on not less than 5 days' notice to the Commission and the public, shall supplement their tariffs and time tables to indicate the suspension of service herein authorized.
2. The Commission and the public shall be notified of resumption of service not less than 5 days prior thereto by the filing of appropriate tariffs and time tables.

The effective date of this order shall be 20 days from the date hereof.

Dated at San Francisco, California, this 17th day of August, 1948.

Certified as a True Copy

R. F. [Signature]
Justin J. Galvin
August H. [Signature]
Harold P. [Signature]
Harold H. [Signature]
Commissioners