

ORIGINAL

Decision No. 42109

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
the S & S Scenic Tours, an independent
company, applying for a certificate
of public convenience and necessity to
operate sight-seeing motor tours within
Santa Cruz and Monterey Bay areas.

Application No. 30336

Eugene J. Adams for applicants.

Douglas Brookman for Pacific Greyhound Lines; H. C. Lucas and
H. C. Lucas, Jr., for Daryl R. Druhe, doing business as
Big Basin Bus Line; and Harold Harner for Bay Rapid
Transit Co., protestants.

O P I N I O N

Eric D. Street and Edna C. Street, his wife, seek a certificate of public convenience and necessity authorizing the operation of passenger sight-seeing tours from Santa Cruz to places of interest on the Monterey Peninsula, Santa Cruz Big Trees Park and Big Basin State Park. A public hearing was held before Examiner Bradshaw at Santa Cruz.

It is proposed to operate on a seasonal basis from the first of June to and including Labor Day. Upon the establishment of operations one trip a week to the Monterey Peninsula is contemplated. Two trips a week, namely, on Saturdays and Sundays, are proposed to the Big Trees and Big Basin. The proposed fare for the Monterey tour is \$7.50, while that for the Big Basin tour is \$2.50.

Eric B. Street testified that he owns two second-hand buses, one being a 12-passenger vehicle and the other having a capacity of 18 passengers. It appears that this equipment was purchased subsequent to the filing of the application. In order to meet expenses, applicants estimate that an average of 10

passengers a trip to the Big Basin and a minimum of 5 passengers a trip to the Monterey Peninsula would be necessary.

This witness indicated a lack of knowledge as to the amount of the toll required to use the 17-Mile Drive, which is included in the Monterey tour, and the cost of insurance. The record does not disclose the bases upon which the various items of expense, including depreciation, were computed in the estimated cost of operating the proposed service. It was testified that a cash reserve of about \$1,800 is available as a working fund and to meet any operating losses. Applicants do not believe, however, that there is any likelihood of having to discontinue operations, if established, because the service is regarded by them as essential.

Bay Rapid Transit Co., Daryl R. Druhe (doing business as Big Basin Bus Line) and Pacific Greyhound Lines protested the granting of the application.

Bay Rapid Transit Co.'s general manager testified that it conducts two daily tours accompanied by a lecture hostess from Monterey to points of interest on the Monterey Peninsula. He declared that during the summer months connections are made with schedules of Pacific Greyhound Lines, whereby passengers from Santa Cruz can arrive at Monterey about 12:00 noon, take the afternoon tour after luncheon in Monterey and return to Santa Cruz the same day. The total charge for the round trip, including federal tax, tolls and admission to places of interest, was stated to be \$5.70.

This witness asserted that the service was established this year, that 5 buses are dedicated to the sight-seeing operation and that the experience gained during the present season will

determine the months of the year it will be operated in the future.

Daryl R. Druhe testified that he is engaged in his third season's operation between Boulder Creek and Big Basin, that 3 daily round trips are operated, and that connections are made with buses of Pacific Greyhound Lines operating between Santa Cruz and Boulder Creek. He stated that 3 round trips a day are available which permit passengers to travel from Santa Cruz to the Big Basin and return the same day. The corresponding service from the Big Basin to Santa Cruz and return the same day was given as 2 daily round trips. The aggregate fare for the round trip, according to this witness, is \$1.55.

Druhe referred to the proceedings pending before the Commission at the time of the hearing, wherein he seeks authority to operate bus service between Boulder Creek and Santa Cruz and Pacific Greyhound Lines desires authority to discontinue service between the same points. (Application Nos. 30020 and 30021). He asserted that in the event the authority therein sought is granted one or more through daily services will be established between Santa Cruz and the Big Basin without the necessity of a stop-over at Boulder Creek. The same fares as presently in effect will be charged. By Decision No. 43035, dated June 21, 1949, a certificate of public convenience and necessity was granted, authorizing Druhe to establish operations between Santa Cruz and Boulder Creek. Pacific Greyhound Lines was also authorized to discontinue service between the same points.

Applicants' evidence in support of the application herein is confined to an expressed desire to conduct the proposed operations. Such a showing is insufficient proof that public convenience and necessity require the establishment and operation of a new common

carrier service. Moreover, the record does not establish to the Commission's satisfaction that applicants' offer of service would be sufficiently attractive to the public to justify the operation or that they are in a position financially to give the undertaking a reasonable trial to determine its justification from an economic standpoint.

After careful consideration of the facts of record, the Commission is of the opinion and finds that it has not been shown that public convenience and necessity require the establishment and operation of sight-seeing service, as proposed in the application.

O R D E R

A public hearing having been had in the above-entitled proceeding, and the Commission having carefully considered the evidence presented,

IT IS ORDERED that the application on file herein be and it is hereby denied.

This order shall become effective 20 days after the date hereof.

Dated at San Francisco, California, this 6th
day of July, 1949.

R. B. Dunning

Joseph H. Russell
Harold P. Kille

Herbert H. Porter
Commissioners