

ORIGINAL

Decision No. 43264

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GREYHOUND LINES, a corporation,)
to sell, and of NEVADA COUNTY BUS LINE,)
a corporation, to purchase, passenger)
stage certificate authorizing operations)
between Yuba City and Colusa, and for)
purchaser to extend such route to Marys-)
ville.)

Application No. 30488

Douglas Brookman, for Pacific Greyhound Lines.
Fred G. Athearn, for Nevada County Bus Line.

O P I N I O N

The above entitled matter is a joint application in which Pacific Greyhound Lines and Nevada County Bus Line request the Commission to authorize the former to sell and the latter to buy a passenger stage operative right between Yuba City and Colusa and intermediate points via Sutter Junction, Sutter and Meridian. This right was created by Decision No. 33488, in Application No. 23198. The application was amended to request that a new certificate be granted to the buyer to become effective upon consummation of the proposed transfer. The new certificate would be in the place and stead of the operative right created by Decision No. 33488 involved herein. A public hearing was had at Colusa before Examiner Paul on August 23, 1949, and the matter was submitted. There was no protest to the granting of the application.

(1) Pacific Greyhound Lines will be referred to as the seller or Greyhound, and Nevada County Bus Line will be referred to as the buyer or Nevada Bus.

The buyer presently conducts a passenger stage service between Colfax and Auburn, on the one hand, and Grass Valley, Nevada City and Marysville, on the other hand, including the intermediate points. In order to provide through service between points the buyer now serves and points on the line it proposes to acquire from Greyhound, the buyer requests a certificate between Marysville and Yuba City which are contiguous cities. No local service would be provided between the two latter points as such service is now provided by a local operator. The sale and transfer would be made for a nominal consideration of \$1.00 pursuant to the terms of an agreement attached to the application and marked Exhibit "C". No physical properties are involved in the proposed transfer.

According to the evidence Greyhound sustained a net operating loss from the operation between Yuba City and Colusa for the period January 1, 1949, to and including June 30, 1949, of \$1,939.15. During that period it transported 14,187 passengers and operated 30,992 miles which produced a total revenue from passenger, baggage and express traffic of \$7,158.68. This equaled \$0.2315 operating revenue per bus mile. The total operating cost for this period was \$9,097.83 or \$0.2935 per mile. According to the witness for Greyhound the trend in passenger traffic is continuing slightly downward, although passenger revenue is greater due to recent fare increases.

Mr. Kent E. Walker, president of the buyer, testified that if his company were authorized to acquire the operative right involved, it would continue to operate three daily round trips between Marysville and Colusa. The service would be operated at approximately the same times as now performed by the seller. The

buyer has Aero-Coach stages which seat 37 passengers which would be used. The joint tariff arrangements now in force between the buyer and the seller would be extended to apply to the points involved. The same fares and tariffs would be continued. A sub-contract for the transportation of mail now held by the seller would be assigned to the buyer. This witness estimated that the operation could be conducted at a per bus mile cost of approximately 20 cents, which would enable the buyer to realize a net operating profit from the operation. The buyer would employ one additional driver and use two drivers in conducting the proposed operation whose services would also be used in the buyer's present operation. Under this arrangement the layover time of the seller's drivers would be economically utilized. The net worth of the buyer as shown by its balance sheet statement of July 1, 1949, is \$21,522.15. After excluding \$14,220.86 reported as the value of Organization, Franchises and Permits the adjusted net worth would be \$7,301.29.

After full consideration of all the facts of record, it is our judgment that the authority sought is not adverse to the public interest and should be granted.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

ORDER

An application as above entitled having been filed, a public hearing having been held thereon, the matter having been submitted, the Commission being fully advised in the premises and it appearing that the proposed transfer is not adverse to the public

interest and it being hereby found that public convenience and necessity so require;

IT IS ORDERED:

(1) That after the effective date hereof and on or before November 1, 1949, Pacific Greyhound Lines may transfer to Nevada County Bus Line and the latter may acquire from the former the operative rights created by Decision No. 33488, in Application No. 23198, referred to in the foregoing opinion.

(2) That in the place and stead of the operative rights referred to in paragraph (1) of this order, the Commission hereby grants to Nevada County Bus Line a new certificate of public convenience and necessity authorizing the establishment and operation of service as a passenger stage corporation, as defined in Section 24 of the Public Utilities Act, for the transportation of passengers, baggage and shipments of express weighing not in excess of 100 pounds each on passenger carrying vehicles only, between Marysville and Colusa and intermediate points via State Highway No. 20 and county roads through Sutter Junction, Sutter, Tarke and Meridian, as an extension and enlargement of and consolidated with the operative right created by Decision No. 28152, in Application No. 26181, subject to the restriction that no passengers, baggage or express shall be transported locally between Marysville and Yuba City.

(3) That upon the consummation of the transfer of the operative rights herein authorized and in providing service pursuant to the certificate herein granted, applicant Nevada County Bus Line shall comply with and observe the following service regulations:

- a. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed 30 days after the effective date hereof.
- b. Within 60 days after the effective date hereof and on not less than 5 days' notice to the Commission and the public, applicant shall establish the service herein authorized and comply with the provisions of General Orders Nos. 79 and 80 and Part IV of General Order No. 93-A, by filing in triplicate and concurrently making effective, appropriate tariffs and time tables.

(4) That within 30 days after the consummation of the transfer herein authorized Nevada County Bus Line shall notify the Commission of that fact and shall within said period file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

(5) That upon the execution of the agreement of sale referred to in the opinion hereof and the acceptance of the new certificate of public convenience and necessity herein granted to Nevada County Bus Line, the operative rights created by Decision No. 33488, in Application No. 23198 between Yuba City and Colusa and intermediate points hereinabove referred to are hereby revoked and annulled.

(6) That within 60 days after the effective date hereof and on not less than 5 days' notice to the Commission and the public, applicants shall comply with the provisions of General Orders Nos. 79, 80 and 93-A, by filing in triplicate and concurrently making effective, appropriate tariffs and time tables.

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

Dated at San Francisco, California, this 29th day
of August, 1949.

R. Z. [unclear]
JUSTIN P. [unclear]
[unclear]
Harvest. [unclear]

COMMISSIONERS