

Decision No. 45373

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SANTA FE TRANSPORTATION COMPANY, a)
California Corporation, and)
THOBURN S. HAWORTH, RUTH S. HAWORTH,)
BRYAN W. HAWORTH, MARGARET HAWORTH,)
and EMILIE HAWORTH, partners, doing)
business as ORANGE BELT STAGES, for)
an order approving a contract providing)
for the performance by Orange Belt)
Stages of intrastate service between)
Porterville and Hanford, California,)
and intermediate points, for account of)
Santa Fe Transportation Company.)
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ORIGINAL

Application No. 32050

J. M. Souby, Jr. and F. G. Pfrommer by
F. G. Pfrommer for applicants.

O P I N I O N

By their application on file in this proceeding, Santa Fe Transportation Company (hereinafter called Santa Fe) and Thoburn S. Haworth, Ruth S. Haworth, Bryan W. Haworth, Margaret Haworth and Emilie Haworth, copartners doing business as Orange Belt Stages (hereinafter called Orange Belt), seek approval of an agreement under which Orange Belt will conduct certain passenger bus operations for the account of Santa Fe. A public hearing was held before Examiner Bradshaw at Visalia on February 6, 1951. No protests against the granting of the application have been presented.

Both Santa Fe and Orange Belt maintain bus services between Hanford and Porterville as well as other points, Santa Fe's operations between Hanford and Porterville are designed primarily to afford connections with trains of The Atchison, Topeka and Santa Fe Railway Company at Hanford. The agreement here under consideration contemplates that Orange Belt will provide this service in the future, operating whatever schedules Santa Fe shall direct which may be necessary to accomplish this purpose.

Under the terms of the agreement, Orange Belt will honor tickets issued by Santa Fe, The Atchison, Topeka and Santa Fe Railway Company and their connecting carriers. As compensation for transportation furnished, Orange Belt will receive the full amount of its local rates and fares. However, if said rates and fares, including local transportation furnished by Orange Belt for its own account or other carriers, excluding agents' commissions, shall not equal 15 cents per bus-mile (except express revenue) Santa Fe will pay the difference between the amount of the local rates or fares and 15 cents per bus-mile. Additional compensation is provided for in instances where Santa Fe may require the operation of special schedules. The agreement is to continue for five years, unless sooner terminated upon 60 days' notice by either party.

Exhibits purporting to set forth applicants' balance sheets, revenues and expenses, including certain operating statistics, were presented in evidence.

A witness for Santa Fe testified that, this carrier's California operations having been conducted at a loss, efforts have been made to devise means of reducing losses without impairing its service. This witness asserted that, by reason of an extremely low load factor, the Hanford-Porterville operation does not return the out-of-pocket cost of rendering the service. It was stated that, as a result, the agreement was entered into with Orange Belt. The witness expressed confidence in Orange Belt's ability to provide an adequate and efficient service.

In addition to the Hanford-Porterville service, Santa Fe operates some of its through schedules between San Francisco and Los Angeles via Tulare, Visalia and Plaza. According to the record, this arrangement is not covered by the agreement and will not be affected.

A witness for Orange Belt testified that a service similar to that proposed, is now provided for the purpose of making connections with passenger trains of another railroad and that no complaints have been received from the railroad or the public concerning the service rendered.

Upon careful consideration of the record, we are of the opinion that the proposed arrangements will be in the public interest. The Commission, therefore, finds that the agreement entered into by the parties should be approved, subject to such changes or modifications as the Commission may from time to time direct in the exercise of its jurisdiction.

O R D E R

Application as above-entitled having been made, a public hearing having been held and the Commission being fully advised in the premises,

IT IS ORDERED that the agreement made as of December 8, 1950, by and between Theburn S. Haworth, Ruth S. Haworth, Bryan W. Haworth, Margaret Haworth and Emilie Haworth, copartners doing business as Orange Belt Stages, and Santa Fe Transportation Company, a corporation, a copy of which is attached to the application in the above-entitled proceeding as Exhibit "A", be and it is hereby approved, subject to such changes or modifications as the Commission may from time to time direct in the exercise of its jurisdiction.

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

Dated at San Francisco California, this 20th day of February, 1951.

R. F. [Signature]
Justus F. [Signature]
Harold F. [Signature]
Peter E. [Signature]

Commissioners