

Decision No. 45622

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 San Jose City Lines, Inc., requesting)
 authority to alter and extend certain)
 routes and to increase its present)
 basic rates of fare from seven (7))
 cents cash or four (4) tokens for)
 twenty-five (25) cents to ten (10))
 cents cash or four (4) tokens for)
 thirty (30) cents and to establish)
 and adjust certain zone fares and)
 fare zones as more specifically)
 described herein.)

Application No. 31611

(The appearances are listed in
 Decision No. 45479 of March 20, 1951,
 in this proceeding.)

O P I N I O N

San Jose City Lines, Inc., is a common carrier of passengers by motor bus between points in an area consisting of the Cities of San Jose and Santa Clara and certain adjacent unincorporated territory. By this application, as amended, it seeks authority to extend and reroute certain lines, to increase fares, and to cancel tariff rates for special or charter bus service.

Public hearings were held at San Jose before Commissioner Potter and Examiner Mulgrew. The matter was submitted on January 19, 1951. Decision No. 45479 of March 20, 1951, set this submission aside, incorporated in the record applicant's Third Amended Application and certain additional evidence relative to costs contained therein, and resubmitted the matter. The proposals of applicant are those which were made at the hearings; they were not changed in any way by the Third Amended Application or by Decision No. 45479.

Applicant serves rapidly growing communities. Its service proposals involve rerouting and extending its Santa Clara, Willow Glen and Burbank Lines. These proposals also involve abandonment of a portion of the Burbank line and various minor changes in the routing of other lines. Evidence relating to the proposals was offered by the applicant, by another common carrier, by the Cities of San Jose and Santa Clara, by the representatives of certain civic and neighborhood groups, and by the Commission's Transportation Department.

In Santa Clara, the western terminus of applicant's line is at Lincoln Street. It proposes to extend service westerly to Gould Street. It also proposes to establish a new service northerly on Main Street to Reed Street. Applicant's superintendent testified that the Gould Street extension could best be operated as a one-way loop route. He said that the Main Street extension should be made from Franklin Street. The superintendent stated that the proposed operations are designed to serve the people of Santa Clara and contiguous territory more effectively. The routes selected, he said, are the feasible operating routes.

A transportation department witness also recommended service extensions in Santa Clara similar to those proposed by applicant. He suggested, however, that the Gould Street route be operated as a two-way instead of a one-way loop. He also suggested that the Main Street extension be from the intersection of Monroe and Harrison Streets rather than from Franklin and Main, and that it be terminated at Wistar Street rather than go as far as Reed Street. The two-way loop operation, the department's witness said, would permit patrons to shorten their travel time because it would not require them to ride around the loop in one direction as would be the case under applicant's proposal. Shortening of the Main Street extension, the witness said, would reduce bus mileage somewhat without causing any real inconvenience.

Applicant claimed, however, that to operate the Gould Street loop on a two-way basis would involve dangerous turns into oncoming traffic and tend to confuse patrons because the busses would be boarded on different sides of the street on alternate schedules. It also claimed that the reduced mileage which would result from shortening the Main Street extension would not be consequential.

The City of Santa Clara and its chamber of commerce also advocated extension of applicant's routes in that city. The city attorney said that adoption of either proposal would improve the service. He and the representative of the chamber of commerce also said that considerable further growth of the community in a westerly direction is anticipated and that the proposed extensions, desirable as they are, may well prove inadequate for the future.

No one opposed changes in the Santa Clara service in the manner proposed by either of the witnesses.

In the Willow Glen area of San Jose, applicant seeks authority to reroute and extend its lines in an endeavor to provide the business and residential areas of that district with improved service. Under these proposals, applicant would directly serve the main business area along Lincoln Avenue and reach the residential areas adjacent thereto via contemplated loop routes. Similarly, an extension along Meridian Road is proposed as a means of further improvement of the Willow Glen district service.

The City Attorney of San Jose and the transportation department's witness agreed that adoption of these proposals would provide needed additional service.

Two of applicant's patrons said that transferring from one line to another in traveling between the points in which they are interested would be required under the Willow Glen area proposals. They contended that this would not be as satisfactory to them as the present arrangements and that they would be delayed and inconvenienced.

Applicant pointed out that broad service changes are involved. It claimed that these changes are designed to meet the needs of the majority of its patrons and that adoption of the proposals would markedly improve the service available to the greater number of its passengers.

Peerless Stages, Inc., another common carrier of passengers, protested against the proposed extension along Meridian Road for the reason that it operates along that road in connection with its San Jose-to-Los Gatos service. It offered to provide any additional service which may be required by public convenience and necessity.

In the Burbank district, applicant now operates two loops, one northerly off of West San Carlos Street to Forrest Street, the other southerly off of West San Carlos Street to Scott Street. It seeks authority to abandon the northern loop and to extend the southern loop westerly along West San Carlos to MacArthur, along MacArthur and Pioneer to Moorpark Avenue, across the San Jose-Los Gatos Road and back to West San Carlos via Irving Avenue. According to applicant's superintendent, the people served by the Forrest Street loop would not be greatly inconvenienced by the proposed change. The company claims that it is a relatively short distance to West San Carlos

Street where service would still be provided. The southern loop extension, its witness said, would provide service to the north gate of the Santa Clara County Hospital, more completely serve the Burbank business district along the San Jose-Los Gatos Road, provide improved service for residents in the areas adjacent to that business district, and establish service to the site of a projected technical high school to be built across the highway from the county hospital.

The department's witness agreed that the southern extension would improve applicant's service. He recommended, however, that the northern, or Forrest Street loop, be retained. He pointed out that there has been continued growth in the same general area. He claimed that it is quite possible that when the area north of West San Carlos Street is built up an extension of the Forrest Street loop could absorb increased demands for service in that area.

The City Attorney of San Jose and the business manager of the county hospital supported the proposed southern loop extension. They corroborated applicant's representations with regard to the need for added service in that area and urged that applicant be permitted to make this extension. The city attorney said that he hoped that it would not be necessary to abandon the Forrest Street loop. He stated, however, that, if it became a choice between keeping the present two loops without extension and applicant's proposal, the city would favor the latter for the reason that it would serve the transportation requirements of the greater number of people.

Representatives of patrons of the Forrest Street service protested against its discontinuance. They said that residents in that part of the Burbank district had had this service for some time, that West San Carlos Street was a considerable distance from many of their residences, and that withdrawal of the Forrest Street service would impose hardships on many people.

Peerless Stages claimed that it serves the Burbank area with two of its lines. It asked that the Commission deny applicant's proposal to extend service in that area on the grounds that Peerless was the pioneer and therefore should be protected against the intrusion of another line. Peerless's local manager stated that it had served the county hospital for many years. He submitted a petition signed by residents of MacArthur Street protesting against the operation of applicant's busses on that street. As in the case of the Meridian Road situation, protestant offered to provide any additional service which public convenience and necessity may require.

Other rerouting proposals involving minor changes are not controversial and require no discussion.

The record shows that extended service in the Santa Clara, Willow Glen and Burbank areas is necessary to meet the public need for transportation. Protestant, Peerless Stages, does not serve Santa Clara and, concededly, serves only a part of the remainder of the San Jose-Santa Clara area. It is predominantly an interurban rather than an urban carrier. Its urban service in the area in question is incidental to its other operations. The need for local service, it is clear, would best be met by the integrated operations of San Jose City Lines. It

has been demonstrated on this record that the local service requirements of the districts in which Peerless operates are not limited to the restricted service which Peerless can provide, that these requirements are not being fully met, and that the nature of the Peerless operations is such that it has not and cannot provide the character of area-wide local service that the public should have in the San Jose-Santa Clara area.

Applicant has failed to establish that discontinuance of the Forrest Street loop in the Burbank district is warranted at this time. In all other respects, applicant's service proposals are justified and should be adopted. The differences between these proposals and the recommendations of the staff witness are not great. They involve chiefly operating problems which should be left to the discretion of applicant's management.

Applicant seeks a certificate of public convenience and necessity embodying all of its existing operative rights and the proposed extensions in lieu of the various separately acquired operative rights which it now possesses.

Applicant's rights should be incorporated in a new certificate, as sought.

The service matters above discussed are related to proposed fare increases. Applicant's basic cash fare is seven cents. Tokens the equivalent of a cash fare are sold at the rate of four for 25 cents ($6\frac{1}{4}$ cents each). For applicant's regular service a single cash fare or one token applies to intrazone service; an additional fare, cash or token, applies when interzone service is involved. Applicant proposes to raise its basic cash fare to 10 cents and its token basis to four for 30 cents ($7\frac{1}{2}$ cents each). Under this proposal an additional fare would be charged for interzone movements as at present. Twenty-ride school children's fares are proposed to be maintained at the existing levels of five cents intrazone and seven cents interzone.

Evidence concerning the financial results of applicant's operations and the trends in the patronage of its service and in the use of tokens was submitted by witnesses for applicant and by a transportation department engineer. Estimates of future operating results and of the effect of the proposed service extensions thereon were also submitted by these witnesses.

The results of applicant's operations during 1950, as disclosed by exhibits of record, are shown in the following tabulation:

	(1)	(2)
Operating Revenues	\$699,448	\$763,034
Operating Expenses	<u>628,110*</u>	<u>685,211*</u>
Net Operating Revenues		
Before Federal Income Taxes	\$ 71,338	\$ 77,823
Provision For Federal		
Income Taxes	<u>18,375</u>	<u>20,046</u>
Net Operating Revenues		
After Federal Income Taxes	\$ 52,963	\$ 57,777
Operating Ratios:		
Before Federal Income Taxes	89.80%	89.80%
After Federal Income Taxes	92.42%	92.43%

(1) For eleven-month period ended November 30, 1950, as shown in applicant's Exhibit No. 7.

(2) For calendar year 1950 based on actual first eleven months' figures "annualized" or projected for a full year as shown in the Department's Exhibit No. 15.

* Includes State Corporation Franchise Tax (State Income Tax).

From the foregoing it is clear that, judged by 1950 operating results, applicant does not need any increase in its fares. While there is no consequential difference between applicant's and the engineer's figures covering 1950 results, their estimates of future operating results vary widely. Both submitted their

predictions for 1951 based on present fares and routes and on proposed fares and routes. These estimates follow:

	<u>Present Fares and Routes</u>		<u>Proposed Fares and Routes</u>	
	(1)	(2)	(1)	(2)
Operating Revenues	\$707,250	\$763,630	\$862,350	\$956,055
Operating Expenses	<u>711,918*</u>	<u>688,100</u>	<u>765,043*</u>	<u>734,860</u> ✓
Net Operating Revenues Before Federal Income Taxes	(<u>\$4,668</u>)	\$ 75,530	\$ 97,307	\$221,195 ✓
Provision For Federal Income Taxes	<u>---</u>	<u>29,935*</u>	<u>39,500</u>	<u>124,417*</u> ✓
Net Operating Revenues After Federal Income Taxes	(<u>\$4,668</u>)	\$ 45,595	\$ 57,807	\$ 96,778 ✓
Operating Ratios:				
Before Federal Income Taxes	100.66%	90.11%	88.72%	76.82% ✓
After Federal Income Taxes	100.66%	94.03%	93.30%	89.88% ✓

(1) Applicant's estimates.

(2) Department's estimates.

* Includes State Corporation Franchise Tax (State Income Tax).

() - Indicates loss.

In revenues, the differences in the estimates are accounted for chiefly by the divergent views of the witnesses with regard to the number of passengers which will be carried. They agreed that there had been a continuing downtrend in the number of passengers traveling over applicant's lines for some time. Their studies show that, while in 1949 12,702,890 passengers were carried, only 11,532,968 were carried in 1950. Applicant's witness said that the downtrend in number of passengers had not been arrested and predicted that under the present routes and fares only 10,733,962 passengers would be carried in 1951. The department's witness, on the other hand, claimed that patronage of applicant's lines would level off in 1951 and said that 11,479,250 passengers would be a reasonable estimate under these circumstances. The witnesses also took

into consideration increased patronage which could be expected from the extended service, as well as the loss of passengers which would result from increased fares. Their estimates in these respects follow their views with regard to general patronage, applicant's witness taking a somewhat more pessimistic view than the department's witness.

The differences in the witnesses' over-all revenue figures also reflect differences in their estimates of token use and of charter bus and advertising revenues. Applicant's witness predicted token use amounting to 80 percent under the proposed fares, while the department's witness claimed that 70 percent would be a fair estimate. The former's figure for charter bus revenue was \$12,000 and the latter's \$15,265. For advertising revenue, their estimates were \$8,500 and \$10,700, respectively. The engineer also made an adjustment of \$3,400 for unredeemed tokens and school tickets. No allowance was made by the applicant for this contingency.

In their estimates of expenses, the witnesses are not as far apart as in their revenue calculations. The chief difference in estimated costs involving the determinations to be made hereinafter is in management, supervision and accounting expense. Applicant figured this expense as \$37,870 for 1951 on a percentage of revenue basis and the department's witness as \$23,115 on a study of such services involving a similar and affiliated bus line.

Increased wages negotiated between applicant and its employees since the above-described cost estimates were submitted amount to \$25,248. This additional expense must, of course, be given effect.

Having heretofore concluded that additional service is required in order to meet the public need, further discussion of the revenues and expenses which may reasonably be anticipated will be confined to operations under the extended service plan.

Applicant's showing with respect to anticipated patronage rests on the belief that the downtrend in number of passengers carried will continue but at a less accelerated pace. It estimated that the loss of patronage would amount to three-quarters of the loss indicated by a straight projection of the trend. On the other hand, the engineer claimed that patronage would level off because of increased population and employment. For the determinations to be made here, the number of future passengers will be considered as approximately midway between the two estimates.

With regard to token use under applicant's proposed fares, the current experience of 77 percent will be used instead of either of the estimates.

Similarly, the approximate figures of 1950 for advertising and charter bus revenue will be used rather than either of the witnesses' estimates. These approximate figures are \$9,500 for advertising and \$15,000 for charter revenue. An adjustment of \$3,400 for unredeemed tokens and tickets will be made in revenues, as recommended by the staff witness.

Applicant's use of a percentage of revenue basis for management expense has not been substantiated. The engineer's estimate of \$23,115, based on an actual study of a similar operation, will be used instead of applicant's \$37,870 figure. The engineer's calculations for other costs appear well supported and will be employed in reaching the probable over-all cost determination. The wage increase figure of \$25,248 covered by Decision No. 45479, supra, will be added to the other costs.

With the adjustments in 1951 estimates hereinbefore discussed, the following annual results for future operations under applicant's proposed rates are indicated:

Operating Revenues	\$902,235
Operating Expenses	<u>754,273</u>
Net Operating Revenues Before Federal Income Taxes	\$147,962*
Provision for Federal Income Taxes	<u>67,354</u>
Net Operating Revenues After Federal Income Taxes	\$ 80,608
Operating Ratios:	
Before Federal Income Taxes	83.60%
After Federal Income Taxes	91.07%

* Includes State Corporation Franchise Tax (State Income Tax).

Applicant's rate base and its prospective rate of return for future operations remain to be discussed. There is little difference between applicant's rate base figure and that of the department's witness. The former estimated the average rate base for 1951 as \$525,722; the latter arrived at a corresponding figure of \$510,520. The only important differences are \$12,500 which applicant describes as the "use value" of five fully depreciated busses and some \$900 as drivers' change fund. These amounts were not allowed by the department's engineer. His figures will be used. The rate of return reflected by the above-indicated operating result is 15.79 percent under the proposed extended service and the proposed increased fares. The proposed fare structure is higher than the structure necessary to enable applicant to maintain adequate service and to earn a reasonable profit.

Estimates of future revenues and expenses under certain other fare bases were also submitted by the department's witness. They cover operations under (a) a 7-cent cash fare and no tokens, (b) a 10-cent cash fare with 6 $\frac{1}{2}$ -cent tokens, and (c) a 10-cent cash fare with 6-2/3-cent tokens. The engineer recommended that the additional fare for interzone service be reduced from a full cash fare or token to 5 cents cash. He said that the distances involved did not warrant a full additional fare being charged. The recommended interzone basis has been given effect in his revenue estimates under the alternate fare bases. With the adjustment in revenues to a future passenger level midway between the engineer's and the company's estimates, and with the other adjustments in revenues and expenses hereinbefore determined to be necessary, the indicated results under the alternate fare bases are as follows:

	7 Cents Cash No Tokens	10 Cents Cash or 4 Tokens for 25 Cents	10 Cents Cash or 3 Tokens for 20 Cents
Operating Revenues	\$ 811,160	\$ 789,950	\$ 843,650
Operating Expenses	<u>755,308</u>	<u>755,938</u>	<u>755,128</u>
Net Operating Revenues Before Federal Income Taxes	\$ 55,852	\$ 34,012	\$ 88,522
Provision for Federal Income Taxes	<u>20,267*</u>	<u>9,539*</u>	<u>36,314*</u>
Net Operating Revenues After Federal Income Taxes	\$ 35,585	\$ 24,473	\$ 52,208
Operating Ratios:			
Before Federal Income Taxes	93.11%	95.69%	89.51%
After Federal Income Taxes	95.61%	96.90%	93.81%
Rate Base	\$ 510,520	\$ 510,520	\$ 510,520
Rate of Return	6.97%	4.79%	10.23%

*Includes State Corporation Franchise Tax (State Income Tax).

The 7-cent cash fare basis leaves a fair margin between revenues and expenses. It also provides for a more reasonable return on applicant's investment than the other alternate fare plans. Accordingly, it should be authorized instead of applicant's proposed higher basis.

The foregoing revenue and expense figures include operations involving occasional and seasonal service to Alum Rock Park, to the county fair grounds, to the municipal baseball stadium and to the speedway, as well as operations involving the charter bus service.

The Alum Rock service is proposed to be kept under zone fares. The interzone additional fare basis recommended by the engineer appears justified and should be adopted.

For the other occasional and seasonal service, applicant proposes, instead of zone fares, specific fare arrangements for each of the three operations. The recommended fare basis in each case was said to have been designed to satisfy the particular demands of the traffic and to give effect to the circumstances and conditions surrounding it. However, these fares are built on the 10-cent cash fare proposal which applicant has failed to justify. The sought bases will be modified to a 7-cent cash unit basis. In other respects they will be authorized.

In regard to the proposed cancellation of hourly rates for special or charter bus service, applicant's witness explained that these operations were entirely dissimilar from the common carrier service and that they could continue to be provided only under contract and at rates taking into account and varying with the particular type of service involved. The sought cancellation

will be permitted. This is being done because the record indicates that these operations will not be common carrier operations.

Upon consideration of all of the evidence of record the Commission finds (1) that public convenience and necessity require the proposed extended service to the extent hereinbefore indicated and as provided by the order herein; (2) that Peerless Stages, Inc., in the territory which it serves is not providing a satisfactory local service for passengers requiring transportation within the San Jose-Santa Clara area; (3) that the proposed increased fares have been justified to the extent hereinbefore indicated and as provided by the order herein; (4) that cancellation of fares for special or charter bus service has likewise been justified; and (5) that in all other respects the proposals contained in the application, as amended, have not been justified.

O R D E R

Based on the evidence of record and on the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED:

(1) That a certificate of public convenience and necessity be and it is hereby granted to San Jose City Lines, Inc.,

a California corporation, authorizing the establishment and operation of service as a passenger stage corporation, as defined in Section 2 $\frac{1}{2}$ of the Public Utilities Act, for the transportation of passengers within an area consisting of the Cities of San Jose and Santa Clara and adjacent unincorporated territory.

(2) That the certificate of public convenience and necessity granted in the above paragraph shall supersede passenger stage certificates granted by the decisions listed below, as well as any other passenger stage operative rights held by applicant, all of which are hereby canceled, revoked and annulled, together with any orders amendatory thereof.

<u>Decision No.</u>	<u>Application No.</u>
34194	24125
34375	24303
34638	24462
	(24125
37074	(26098
	(26107
39113	27578
39795	27999
40066	28251
40849	28657
41657	29302
42900	30165
43776	30719

(3) That in conducting passenger stage operations pursuant to the certificate granted herein, applicant 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 thirty (30) days after the effective date hereof.
- b. Subject to the authority of the Commission to change or modify them by further order, applicant shall conduct operations pursuant to the certificate herein granted over and along the following routes or any combinations thereof:

SANTA CLARA - KING ROAD - LINDA VISTA LINE -- ROUTE NO. 1

Beginning at a point in the County of Santa Clara at Miguelito Road and Alum Rock Avenue; thence in a westerly direction along Alum Rock Avenue to the San Jose City Limits, continuing along East Santa Clara Street, West Santa Clara Street and The Alameda, in the City of San Jose, to Bellomy Street in the City of Santa Clara; thence along Grant Street, Franklin Street, Monroe Street, Lexington Street, Gould Street, Harrison Street, Monroe Street to Franklin Street.

Also, beginning at the intersection of Main Street and Franklin Street, thence along Main Street, Reed Street, Washington Street and Wistar Street.

Also, turn around block in the City of San Jose on East Santa Clara Street bounded by South Thirty-fourth Street, Shortridge Avenue and King Road.

NORTH FIRST STREET - COTTAGE GROVE LINE -- ROUTE NO. 2

Beginning at the intersection of Rosemary Street and North First Street in the City of San Jose, thence around a loop bounded by Rosemary Street, Keoncrest Avenue, Gish Road and North First Street, thence in a southerly direction along North First Street and South First Street to West Alma Avenue, thence along West Alma Avenue to Almaden Avenue, thence along Almaden Avenue to West Humboldt Street, thence along West Humboldt Street to Palm Street, thence along Palm Street to Willow Street, thence along Willow Street to South First Street.

LINCOLN AVENUE - TENTH AND KEYES LINE -- ROUTE NO. 3

Beginning at the intersection of East Reed Street and Seventh Street in the City of San Jose, thence along East Reed Street to South Tenth Street, along South Tenth Street to Keyes Street, along Keyes Street to South Seventh Street, along South Seventh Street to East Reed Street, along East Reed Street to South Fifth Street, along South Fifth Street to East William Street, along East William Street to South First Street, along South First Street to West Santa Clara Street, along West Santa Clara Street to Montgomery Street, along Montgomery Street to Crandall Street, along Crandall Street to Cahill Street, along Cahill Street to West San Fernando Street, along West San Fernando Street to Montgomery Street, along Montgomery Street and Bird Avenue to Coe Avenue, along Coe Avenue to Lincoln Avenue, along Lincoln Avenue to Curtner Avenue at which point the line divides, one section traverses west on Curtner Avenue to Shibley Avenue, thence around the block bounded by Shibley Avenue, Livingston Avenue and Lansford Avenue. The other leg traverses east from Lincoln Avenue on Curtner Avenue to Bridge Way, along Bridge Way to Malone Road, along Malone Road to Bird Avenue, along Bird Avenue to Byerley Avenue, along Byerley Avenue to Lincoln Avenue, thence returning over same route to Cahill and Crandall Street, thence along Cahill Street to West Santa Clara Street continuing to the point of beginning.

DELMAS AVENUE - WILLOW STREET - MERIDIAN ROAD AND MINNESOTA AVENUE
LINE -- ROUTE NO. 4

Beginning at the intersection of West San Carlos Street and Market Street, northerly along Market Street to West Santa Clara Street, along West Santa Clara Street to South Second Street, along South Second Street to East San Carlos Street, along East San Carlos Street and West San Carlos Street to Vine Street, along Vine Street to Grant Street, along Grant Street to Delmas Avenue, along Delmas Avenue to Willow Street, along Willow Street to Bird Avenue at which point the line divides, one leg traversing westerly along Willow Street to Meridian Road, along Meridian Road to Willowhurst Avenue, thence around the block bounded by Willowhurst Avenue, Birch Street and Hamilton Avenue. The other leg begins at Bird Avenue and Willow Street, thence along Bird Avenue to Minnesota Avenue, along Minnesota Avenue to Hicks Avenue, along Hicks Avenue to Mildred Street, along Mildred Street to Cherry Avenue, along Cherry Avenue to Glenwood Avenue, along Glenwood Avenue to Washington Avenue, along Washington Avenue to Minnesota Avenue.

BASCOM AVENUE - SEVENTEENTH AND BERRYESSA LINE -- ROUTE NO. 5

Beginning at the intersection of Seventeenth and Rosa Street, thence around the block bounded by Rosa Street, North Fifteenth Street, Vestal Street and North Seventeenth Street, thence south along North Seventeenth Street to East Julian Street, along East Julian Street to North Sixth Street, along North Sixth Street to St. John Street, along St. John Street to North Second Street, along North Second Street and South Second Street to East San Fernando Street, along East San Fernando Street and West San Fernando Street to Delmas Avenue, along Delmas Avenue to West San Carlos Street, along West San Carlos Street to MacArthur Avenue, along MacArthur Avenue to Pioneer Avenue, along Pioneer Avenue to Bradley Avenue, along Bradley Avenue to Moorpark Avenue, along Moorpark Avenue to Irving Avenue and along Irving Avenue to West San Carlos Street.

Also, beginning at the intersection of West San Carlos Street and Bascom Avenue, thence along Bascom Avenue to Forrest Street, along Forrest Street to Brooklyn Avenue and along Brooklyn Avenue to West San Carlos Street.

AIRPORT - TWENTY-SECOND AND WILLIAM LINE -- ROUTE NO. 6

Beginning with a loop around the block bounded by Hamline Street, Walnut Street, Newhall Street, thence south along Colemam Street to Polhemus Street, along Polhemus Street to Stockton Avenue, along Stockton Avenue to West Julian Street, along West Julian Street to North First Street, along North First Street to St. John Street, along St. John Street to North Second Street, along North Second Street and South Second Street to East San Carlos Street, along East San Carlos Street to South Seventeenth Street, along South Seventeenth Street to East San Antonio Street, along East San Antonio Street to South Twenty-second Street, along South Twenty-second Street to East William Street, along East William Street to South Thirteenth Street, along South Thirteenth Street to East San Carlos Street.

PARK AVENUE - LUNA PARK LINE -- ROUTE NO. 7

Beginning at the intersection of North Tenth and East Empire Street, thence northerly along North Tenth Street to Rosa Street, along Rosa Street to North Thirteenth Street, along North Thirteenth Street to East Empire Street, along East Empire Street to North Seventh Street, along North Seventh Street to Washington Street, along Washington Street to North Fifth Street, along North Fifth Street to East Santa Clara Street, along East Santa Clara Street and West Santa Clara Street to Market Street, along Market Street to Park Avenue, along Park Avenue to Naglee Avenue, along Naglee Avenue to Dana Avenue, along Dana Avenue to Emory Street, along Emory Street to Park Avenue, along Park Avenue to Newhall Street, along Newhall Street to Monroe Street, along Monroe Street to Cherrystone Drive, along Cherrystone Drive to Bascom Avenue, along Bascom Avenue to Newhall Street. Also along Park Avenue between Emory Street and Naglee Avenue.

OCCASIONAL AND SEASONAL ROUTES:

ALUM ROCK PARK SERVICE

Beginning at the intersection of Miguelito Road and Alum Rock Avenue in the County of Santa Clara, thence along Alum Rock Avenue into Alum Rock Park on what is known as the Lower Road or Entrance Road, returning to point of origin via the Upper Road or Exit Road.

SANTA CLARA COUNTY FAIR GROUND SERVICE

Beginning at the intersection of First and Santa Clara Street in the City of San Jose, thence south along South First Street to the City limits, thence continuing along Monterey Road to Tully Road, along Tully Road to the main entrance of the County Fair Grounds.

SPECIAL SAN JOSE MUNICIPAL BASEBALL STADIUM SERVICE

Beginning at the intersection of First and Santa Clara Streets, thence south along South First Street to East William Street, along East William Street to South Fifth Street, along South Fifth Street to East Reed Street, along East Reed Street to South Tenth Street, along South Tenth Street to East Alma Avenue, along East Alma Avenue to Senter Road, along Senter Road to Keyes Street, along Keyes Street to South Tenth Street.

SPECIAL SERVICE TO SAN JOSE SPEEDWAY

Beginning at the intersection of East Santa Clara Street and King Road, thence southerly along King Road to Swift Lane, along Swift Lane to entrance of San Jose Speedway.

(4) That applicant be and it is hereby authorized to turn its motor vehicles at termini or enroute either in the intersection of streets or by operating around a block contiguous to street intersections provided that local municipal traffic regulations are observed.

(5) That applicant be and it is hereby authorized to establish concurrently with inauguration of the above-described service, and on not less than five (5) days' notice to the Commission and to the public, (a) for regular and Alum Rock Park service and with transfer privileges, an intrazone cash fare basis of seven cents, an interzone cash fare basis of 12 cents cash for two-zone service and 17 cents cash for three-zone service, (b) for occasional and seasonal service and without transfer privileges to the county fair grounds and the municipal baseball stadium, a cash fare basis of seven cents and to the speedway a cash fare basis of 14 cents, (c) zone arrangements and rules and regulations proposed in the application, as amended, other than those inconsistent with the fares herein authorized, and (d) cancellation of present tariff fares for special or charter bus service.

(6) That, in addition to the customary filing and posting of tariffs and time schedules, applicant shall give not less than five (5) days' notice of the above-described changes to the public by distributing and posting in its busses a printed explanation, or, if feasible, a small map of the areas involved, or both, showing clearly the changes in routes and the new fares.

(7) That the permissive authority herein granted to establish changes in applicant's fare structure if exercised must include the reductions as well as increases involved and this authority shall expire unless exercised within ninety (90) days after the effective date of this order.

IT IS HEREBY FURTHER ORDERED that in all other respects the above-entitled application, as amended, be and it is hereby denied.

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

Dated at San Francisco, California, this 24th day of April, 1951.

R. J. [Signature]
Justus J. Casper
Harold H. Kule
[Signature]
[Signature]
Commissioners