

ORIGINAL

Decision No. 46162

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of AIRLINE BUS COMPANY )  
to sell, and PACIFIC GREYHOUND LINES) Application No. 32704  
to acquire, operating rights and )  
property. )

O P I N I O N

The above entitled matter is a joint application in which Airline Bus Company and Pacific Greyhound Lines request the Commission to authorize the former to sell and the latter the buy passenger stage operative rights between Hollister and Maricopa Junction and intermediate points, on the one hand, and San Francisco and Los Angeles, on the other hand, as well as four Flxible-type buses.

The operative rights were created by Decision No. 29561, dated February 19, 1937, in Application No. 19971, and were subsequently amended by Decisions Nos. 29601, 29713, 31331, 32104, 41654 and 42331.

Applicants allege that they have presently on file with the Interstate Commerce Commission a joint application for authority to transfer the operations as herein proposed. They request that the authority herein sought from this Commission be subject to the favorable consideration of the Interstate Commerce Commission.

The proposed sale and transfer of the operative rights together with four Flxible-type buses will be in accordance with an agreement of sale executed by the applicants, which specifies a consideration of thirty-nine thousand dollars.

The transferor's operating statement for the years 1948, 1949 and 1950, is as follows:

	<u>Gross Operating Revenues</u>	<u>Gross Operating Expenses</u>	<u>Net Operating Income</u>
1948	\$ 147,542.00	\$ 184,160.00	*(\$ 36,618.00)
1949	155,449.00	188,454.00	( 33,005.00)
1950	168,102.26	204,626.93	( 36,524.67)

\* (Denotes loss)

The transferee's operating statement for the same years disclose a net income as follows:

	<u>Net Operating Income</u>
1948	\$ 3,569,150.94
1949	3,577,518.74
1950	3,134,501.39

Portions of the transferor's operative rights duplicate to a great extent the operative rights of the transferee. It is requested that only that portion which does not constitute a duplication be transferred to the transferee in the form of a new certificate to be consolidated with its existing rights.

In justification for the authority sought it is alleged that the operations to be transferred have been operated at a loss; that if authorized the transferee will eliminate a material amount of duplicating schedules of transferor; that the transferee will operate the additional route miles without any appreciable additional overhead costs; and improve the gross revenues of the operation.

After reviewing the facts the Commission is of the opinion and finds that the proposed sale is not adverse to the public interest and should be authorized. To avoid any possible duplication of operative rights a new certificate will be granted to the transferee. A public hearing is not necessary.

O R D E R

Application having been made and the Commission duly advised in the premises,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is hereby granted to Pacific Greyhound Lines, 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 not exceeding 100 pounds each, in passenger carrying vehicles only, between Gilroy and Maricopa Junction and intermediate points, as an extension, enlargement and consolidation of its existing operative rights.

(2) That in providing service pursuant to the certificate herein granted, applicant Pacific Greyhound Lines shall comply with 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 19 of General Order No. 98, by filing in triplicate and concurrently making effective appropriate tariffs and time tables.
- c. Subject to the authority of this Commission to change or modify it by further order, applicant shall conduct operations authorized in paragraph (1) of this order over the following route:

Between Gilroy and Maricopa Junction

From Gilroy, over U. S. Highway 101 to junction with California Highway 25, thence over California Highway 25 to junction with California Highway 198, thence over California Highway 198 to junction with California Highway 33 (Coalinga), thence over California Highway 33 to junction California Highway 166 (Maricopa); thence over California Highway 166 to junction U. S. Highway 99 (Maricopa Junction).

(3) That the operative rights granted in the following decisions are hereby cancelled and revoked:

<u>Decision No.</u>	<u>Date</u>	<u>Application No.</u>
29561	2/19/37	19971
29601	3/15/37	"
29713	4/26/37	"
31331	10/3/38	"
32104	6/20/39	"
41654	5/26/48	29124
42331	12/21/48	19971

(4) That the transferor is authorized to sell and the transferee to purchase the four Flexible-type buses heretofore referred to.

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

Dated at San Francisco, California, this 4<sup>th</sup> day of September, 1951.

R. T. Anderson  
President  
James D. Calver  
Harold P. Kula  
Frederick H. Potter  
John E. Mitchell  
Commissioners