

Decision No. 46635

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of LOS ANGELES TRANSIT LINES for)
authority to discontinue and) Application No. 32741
abandon service on East Washington)
Motor Coach Line No. 34.)

Max Eddy Utt for applicant. E. E. Bennett for em-
ployees of the Union Pacific Railroad Company, protestants.
M. E. Gaider for the Board of Public Utilities and Transporta-
tion of the City of Los Angeles, interested party.

O P I N I O N

Applicant presently operates its East Washington Motor
Coach Line No. 34 under and pursuant to authority of this Com-
mission ⁽¹⁾ over and along the following route:

Commencing at the intersection of Olympic Boulevard
and Soto Street, thence via Olympic Boulevard, Grande
Vista Avenue, and East Washington Boulevard, to the
intersection of East Washington Boulevard and Atlantic
Boulevard; returning via the reverse of above.

Applicant now requests authority to discontinue and
abandon said service. The application alleges that sometime
ago the service on this line was reduced to three trips daily
in the morning and evening, but that even on this reduced
basis the patronage has run and is continuing to run at a level
which has produced revenue materially below the cost of
operation.

(1) Decision No. 38958, dated May 14, 1946, in Sixty-seventh
Supplemental Application No. 19179.

A public hearing was held before Examiner Rowe at Los Angeles on December 14, 1951, at which time evidence both oral and documentary was adduced and the matter was duly submitted for decision.

Notice of the hearing and of the proposed abandonment was duly published in a newspaper of general circulation in Los Angeles on December 3, 1951, and was posted in the company equipment operating over said line, at principal bus stops along said line, and in the company terminals for seven days before the hearing.

Applicant's witness testified that this line has never met out-of-pocket costs. He further stated that the number of employees of firms located in the area served had increased from the time the line was instituted in 1946 from approximately 2,400 to more than 6,000 at present. However, riding has decreased over this line since 1948 when 5,600 per month were carried, to about 3,400 per month in 1951.

In 1948 the revenue per mile over this line was 18.20¢, as compared with a system cost of 46.06¢. In 1949 the revenue was 16.93¢, and cost for the system 47.54¢. In 1950 the revenue was 16.87¢ and cost 47.16¢, while in 1951 the per mile revenue for the first ten months has been 18.04¢, as compared with a system per mile cost of 48.10¢. This latter revenue reflects a fare increase, and consequently does not indicate any increase in patronage. The first ten months of 1951 show a total mileage of 13,871. The total out-of-pocket expense has been \$6,185. The revenue for this period has

been \$2,502, with an out-of-pocket loss of \$3,683. On a full cost basis the applicant's estimates show an operating expense for this ten-month period of \$6,714, a revenue of \$2,502, with a net loss of \$4,212.

Ten employees of the Union Pacific Company's railroad yards appeared in protest of the application. According to their testimony, they have used this Line No. 34, but its three trips in each direction in the morning and afternoon are not adequate for their needs. Until it was removed by the Union Pacific Company about November 13, 1951, these employees entered the yards by using a viaduct over the tracks at Bonnie Beach Place at the times of the day when Line No. 34 was not operated. They availed themselves of applicant's Line No. 47 along Olympic Boulevard and walked south four-tenths of a mile. This discontinuance of the overpass approximately one month after the present application was filed has made said Line No. 47 practically unavailable for the few Union Pacific employees who have been using Line No. 34. This situation created by the Union Pacific, which is adverse to its employees, could be ameliorated by that company. Its continued existence should not be considered as a valid reason for requiring applicant to perpetuate an operation which constitutes a drain upon its system and an unjustified burden upon other members of the public using applicant's other lines. The City of Los Angeles Board of Public Utilities and Transportation appeared at the hearing, introduced no evidence and took no stand in opposition to the granting of the relief requested by applicant. ✓

Upon full consideration of the record in this proceeding, it is found as a fact that applicant's East Washington Motor Coach Line No. 34 has not been profitable, but has been operated at a substantial loss and cannot be made profitable. Its continued operation would constitute an unjustifiable drain upon applicant's system and would not be in the public interest. Consequently, the application will be granted. ✓

O R D E R

Application as above entitled having been filed, a public hearing having been held, the Commission being fully advised in the premises and the matter being under submission,

IT IS ORDERED:

(1) That Los Angeles Transit Lines be, and it hereby is, authorized to abandon and discontinue passenger stage service over and along the following streets:

Between the intersection of Soto Street and Olympic Boulevard in Los Angeles, and the intersection of Atlantic Boulevard and Washington Boulevard in Los Angeles County Territory, over and along Olympic Boulevard, Grande Vista Avenue, and East Washington Boulevard.

(1) That applicant be, and it hereby is, authorized to cancel all fares, rules, regulations and schedules applying to the service herein authorized to be abandoned by ordering paragraph numbered (1) herein.

(2) That, at least ten (10) days prior to the abandonment of service herein authorized, applicant shall post notice

thereof in all its buses operated over the line to be abandoned and in its terminals and at principal stops along said Line No. 34.

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

Dated at San Francisco, California, this 8th day of January, 1952

[Signature]
President

[Signature]

[Signature]

[Signature]

Commissioners

Commissioner Justus F. Graemer, being necessarily absent, did not participate in the disposition of this proceeding.