

ORIGINAL

Decision No. 46831

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Joe's Taxi, Inc.)  
 (Carmel Valley Bus Line) to ) Application No. 33056  
 abandon bus service between )  
 Carmel and the Carmel Valley. )

John B. Geisen, President, and Lawrence J. Sweeney, Manager, for Joe's Taxi, Inc.  
Fred V. Whelan, Secretary, for Carmel Valley Business and Professional Association.  
Thomas K. Perry, City Attorney, for City of Carmel-by-the-Sea.

O P I N I O N

Joe's Taxi, Inc., operator of the Carmel Valley Bus Line, requests authority to discontinue passenger stage service between Carmel and points in the Carmel Valley because of financial losses incurred since the inception of the operation under present ownership. The application was submitted at a public hearing held at Carmel on February 18, 1952.

Joe's Taxi, Inc., formed January 5, 1951, is the successor to the partnership of Jean Geisen and George A. Norton, who, on November 1, 1950, in probate proceedings in the Estate of Joe Oliveiro, deceased, acquired the Carmel Valley Bus Line and a taxi business in Carmel formerly operated by Oliveiro. The stage certificate originally issued to Oliveiro in 1942 (Dec. 35608, App. 25047) was transferred to the corporation in April, 1951. (Dec. 45501, App. 32220.) It authorizes the transportation of passengers, baggage and shipments of express weighing not to exceed 100 pounds each, on passenger carrying vehicles, between Carmel, Rancho Carmelo, Robles del Rio Lodge and intermediate points in the Carmel Valley.

From about October, 1950 to March, 1951, operations were conducted over the 18-mile route with a 32-passenger Dodge bus which was later repossessed by a bank. Thereafter, a number of vehicles were used, including taxicabs, a White bus and a Buick sedan. Unfavorable road conditions during this period resulted in high maintenance and repair bills, which, together with a low volume of passenger traffic, brought on the critical financial condition that prompted the company to file this application to discontinue service. <sup>(1)</sup> Operating statistics in evidence show, for the year 1951, gross revenue of \$3,470.46, expenses totaling \$6,230.32, not including depreciation expense, with the loss for the year amounting to \$2,759.86.

Although the Carmel Valley has been experiencing a growth in population, this has not been reflected in increased bus patronage. About 90 per cent of the passengers carried in 1951 were children traveling between points in the Valley and schools in Carmel at a one-way fare of 25 cents or a monthly fare of \$9. Other passengers comprised, chiefly, workers or household personnel in the Carmel Valley not having other means of transportation into Carmel. One-way adult fares range from 10 to 50 cents. During the summer of 1951, the company operated four round-trip schedules daily. These were later reduced to two. At the present time, school children are being transported to and from Carmel by means of private car pools, while calls for taxis remain at about the same volume as when the bus line was in operation.

The record makes plain that little or no relief can be expected for this bus line under present conditions of passenger traffic. While both the manager of the line and the Mayor of Carmel

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(1) Service was actually discontinued on February 3, 1952, about two weeks after the application was filed.

expressed the opinion that the fare structure was somewhat low, we are not persuaded that an increase in fares, assuming a continuation of substantially the same relationship between adult and school traffic, would solve the pressing financial situation in which the company now finds itself in connection with this phase of its activities. Accordingly, we find that the evidence of record justifies the entry of an order authorizing Joe's Taxi, Inc. to discontinue operation of the Carmel Valley Bus Line and revoking the certificate of public convenience and necessity under which said operation has been conducted.

O R D E R

Public hearing having been held in the above-entitled and numbered application, the matter having been submitted for decision, the Commission now being fully advised and basing its order upon the findings and conclusions contained in the foregoing opinion,

IT IS ORDERED that Joe's Taxi, Inc. be, and it hereby is, authorized to discontinue the passenger stage service between Carmel and points in the Carmel Valley heretofore conducted under the certificate of public convenience and necessity issued by this Commission in Decision No. 35608, in Application No. 25047, that said certificate be and is hereby revoked, and that all tariffs and timetables filed with the Commission in connection with said operation be, and each of them hereby is, canceled.

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

Dated at San Francisco, California, this 11<sup>th</sup> day of March, 1952.

R. F. Zimmerman  
 President  
Justice F. Gallucci  
Harold A. Hule  
Edna E. B. Hill

Commissioners