

**ORIGINAL**Decision No. 50180

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GREYHOUND LINES )  
 for authority to abandon service between ) Application No. 35118  
 San Mateo and Half Moon Bay. )

Douglas Brookman, for applicant.  
George E. Dunn, for Half Moon Bay Chamber of Commerce.  
Carr S. Pechtel, for the San Mateo County Harbor  
 Commission, protestant.  
Manuel J. Bettencourt, protestant.  
Charles E. Bridgett of the Commission's staff.

O P I N I O N

In the above-entitled application Pacific Greyhound Lines requests authority to discontinue passenger stage service between San Mateo and Half Moon Bay and intermediate points. A public hearing thereon was held before Examiner Paul at Half Moon Bay on May 5, 1954 at the conclusion of which the matter was submitted.

The only witness in this proceeding was the general traffic manager of applicant. He testified that applicant is operating one round trip daily schedule except Saturdays, Sundays and holidays between these points as follows:

7:20 a.m.	Lv. Half Moon Bay	Arr. 6:10 p.m.
7:58 a.m.	Arr. San Mateo	Lv. 5:40 p.m.

The witness stated that formerly service had been run on a daily basis. During 1952 it was reduced to only five days a week because of the decrease in the use of the line. The passenger and express revenues for the first three months of 1954 amounted to \$110.84 and \$1.69 respectively, a total of \$112.53. This averaged about seven cents a mile for the 1,612 miles operated during that period. The total out-of-pocket expenses for that period amounted to \$607.22 resulting in a net operating loss of

\$494.69. On a mileage basis the expenses and loss amounted to \$0.37669 and \$0.30688 respectively. The expenses charged to the operation do not include any allowance for administration, supervision, office expense, advertising nor the cost of tickets or report forms nor general overhead expense (Exhibit No. 1). The witness said there had been no appreciable change in the revenues and expenses of the operation during the last 15 months. During 1953 the operation produced passenger and express operating revenue of \$456.08 and \$15.52 respectively. This amounted to a total gross operating revenue of \$471.60. The average was \$0.07099 per mile for the 6,643 miles operated during that period. The total out-of-pocket expenses for the year 1953 was \$2,517.23 which is \$0.37893 per mile of operation. The total net operating loss for the period was \$2,045.63, which averaged about 30 cents per mile.

The witness stated that one unit of equipment with a carrying capacity of 41 passengers is used in the service. Exhibit No. 3 shows that during the month of April 1954 applicant transported 77 passengers from Half Moon Bay to San Mateo averaging 3.5 passengers per trip. From San Mateo to Half Moon Bay 93 passengers were transported which averaged 4.3 passengers per trip. Applicant transported a total of 170 passengers on 22 operating days in April which averaged 7.72 passengers per day or 3.86 passengers per trip. The number of passengers per trip varied from one to 8 passengers.

Applicant's witness stated that system-wide passenger traffic has been decreasing more rapidly during the last few months than at any other time in its history. Such decrease in traffic is becoming increasingly more acute, so he said. The decline was very much sharper during the month of April. He expressed the opinion the decline in passenger traffic is due principally to the

extensive increase in the use of private automobiles. Exhibit No. 4 shows the system-wide change experienced for the months of January, February and March of 1953 compared with the same months of 1954.

*CEM*

	January		February		March	
	<u>Decrease Amount</u>	<u>Decrease Per Cent</u>	<u>Decrease Amount</u>	<u>Decrease Per Cent</u>	<u>Decrease Amount</u>	<u>Decrease Per Cent</u>
Passenger Revenue	\$123,872.00	4.02	\$161,330.00	5.96	\$274,445.00	9.16
Number of passengers carried	154,333	6.03	135,347	5.70	190,255	7.09
Miles operated	158,900	2.00	209,204	3.03	497,632	6.45
Passenger miles	12,041,196	7.88	14,032,821	10.59	21,519,832	14.77

The proposal of applicant was opposed by the Half Moon Bay Chamber of Commerce, the San Mateo County Harbor Commission and certain individuals. The only evidence adduced by protestants was what may have been developed by cross-examination of applicant's witness and statements by the representatives of various protestants. Protestants advocated that applicant should institute a service between Belmont and Half Moon Bay which would have its origin at Belmont, thence follow a route westerly to Half Moon Bay, thence northerly along State Highway 1 through Sharp Park and other communities to San Francisco as the other terminal point. Much emphasis was placed by protestants on the need for a more frequent service between San Mateo and the coast-side area of San Mateo County. One protestant pointed out that in order to make a trip from Moss Beach, seven miles north of Half Moon Bay, to San Mateo would require spending one night at Half Moon Bay because of the arrangement of schedules of applicant serving those points. It was not shown, however, that there had ever been any need for such

service. Representatives from Sharp Park complained about the lack of service to and from San Mateo. Here again no evidence was presented to demonstrate a public need for such service.

The record shows that applicant has been operating one round trip between San Mateo and Half Moon Bay five days a week for the last year at the times indicated above. The route distance is 13 miles between these points. According to the evidence the operating revenues from this line have been approximately 25 per cent of the out-of-pocket costs of the operation. From time to time different arrangements of schedules have been established in an attempt to develop an increased use of the service which has failed to materialize. These schedules were designed to make direct connections with certain main-line schedules on U. S. Highway 101 (El Camino Real).

While those in opposition to applicant's plan contended that persons living at Sharp Park and Half Moon Bay desired a better arrangement of schedules, the extent of that need was not shown. No one appeared who had ever used the service between the points involved.

The record shows that the conduct of the operation has been at a continuing loss of about 30 cents a mile. An average use of less than three passengers a trip in our opinion indicates that the public need for the service to all intents and purposes has wholly disappeared. In the light of those circumstances the carrier should not be required to continue such operations. This is particularly true when consideration is given to the present system-wide status of the carrier which is indicated by a continuing and rather rapid decline in traffic.

After full consideration of all the evidence in this

proceeding, the Commission finds that public convenience and necessity no longer require passenger stage service between Half Moon Bay and San Mateo and applicant will be authorized to discontinue the service.

O R D E R

An application therefor having been filed, a public hearing having been held thereon, and based upon the evidence of record,

IT IS ORDERED:

(1) That Pacific Greyhound Lines is hereby authorized to discontinue passenger stage service between Half Moon Bay and San Mateo and intermediate points provided that appropriate notice shall be posted in all equipment used on the line involved herein and at all stations of applicant along such line including San Mateo and Half Moon Bay at least 15 days next prior to discontinuance of the service.

(2) That the operative right to conduct the service referred to in paragraph (1) of this order, as more particularly set forth in Route No. 24.10 at First Revised Page 41 of Appendix A of Decision No. 47907 is hereby revoked and annulled.

(3) That Appendix A of Decision No. 47907 is hereby amended by incorporating therein Second Revised Page 25 attached hereto as Appendix A.

(4) That applicant shall comply with the provisions of General Orders Nos. 98 and 79 by appropriate reissues or supplemental filings of tariffs and timotables in triplicate and on not less than 15 days' notice to the Commission and to the public

reflecting the authority herein granted.

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

Dated at San Francisco, California, this 18 day of June 1954.

Edwin E. Mitchell  
 PRESIDENT

Benjamin F. Fetter

Gene Suggs

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COMMISSIONERS

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

14.07 - Between Agnew Junction and Santa Clara:

From the junction of By-Pass U.S. Highway 101 and Santa Clara-Agnew Road (Agnew Junction), over Santa Clara-Agnew Road to junction U.S. Highway 101 (Santa Clara), to be operated as an alternate route.

14.08 - Between San Francisco and Santa Cruz:

From San Francisco, over California Highway 1 to Santa Cruz.

14.09 - Between San Francisco and Santa Cruz (Skyline Route):

From San Francisco, over California Highway 1 to junction California Highway 5 (Skyline Junction), thence over California Highway 5 to junction California Highway 9 (Saratoga Gap), thence over California Highway 9 to Santa Cruz.

\*14.10 - Intentionally left blank.

14.11 - Between Sunnyvale Junction and Santa Cruz:

From junction U.S. Highway 101 and California Highway 9 (Sunnyvale Junction), over California Highway 9 to Saratoga, thence over unnumbered highway to Los Gatos, thence over California Highway 17 to Santa Cruz.

14.12 - Between Felton and Camp Evers:

From junction California Highway 5 and unnumbered highway (Felton), over unnumbered highway via Mt. Hermon to junction California Highway 17 (Camp Evers).

Issued by Public Utilities Commission of the State of California

\*Changed by Decision No. 50180

Correction No. 64