

ORIGINALDecision No. 50181

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GREYHOUND LINES)
 for authority to abandon service between) Application No. 35119
 Navarro River Bridge and Petaluma.)

Douglas Brookman, for Pacific Greyhound Lines.James E. Busch, District Attorney, for County of Mendocino and the City of Point Arena protestants.O P I N I O N

In the above-entitled proceeding Pacific Greyhound Lines requests authority to discontinue its passenger stage service between Petaluma and Navarro River Bridge via Jenner, Ft. Ross and Point Arena. A public hearing thereon was held before Examiner Paul at Point Arena on April 16, 1954 and the matter was submitted.

In support of its request applicant adduced oral and documentary evidence through its general traffic manager. Such evidence shows that applicant established its present operation between these points on September 16, 1950.⁽¹⁾ According to the

(1) Decision No. 36823 dated January 18, 1944, in Application No. 25929 authorized Pacific Greyhound Lines to acquire from Coast Line Stages, Inc., passenger stage operative rights authorizing service between Rockport, Ft. Bragg, Jenner, Petaluma and intermediate points. On June 21, 1949 the Commission authorized Pacific Greyhound Lines to transfer to P. B. Hackley, Jr., that operative right including a right extending northerly to Rockport and Leggett Valley, (Decision No. 43034 in Application No. 29974). On August 15, 1950, the Commission issued its Decision No. 44672, Case No. 5183 revoking the operative rights Hackley acquired pursuant to Decision No. 43034. Decision No. 44782 dated September 11, 1950, in Application No. 31737 authorized Pacific Greyhound Lines to reestablish service between Petaluma and Leggett Valley via Tomales, Jenner, Point Arena, Navarro Junction and Ft. Bragg. Pacific Greyhound Lines also operates passenger stage service between Santa Rosa and Ft. Bragg via Cloverdale, Boonville and Navarro Junction established in October 1953. Although the latter operation is not involved in this proceeding it has had some adverse effect on the earnings of the Petaluma-Ft. Bragg line.

witness applicant operated 64,056 revenue bus miles during 1953 over the route. The first nine months of 1953 it operated an average of 6,000 miles a month and provided service six days a week. The last three months operation averaged 3,350 miles for a service reduced to three round trips a week because of insufficient traffic. The total revenue during that period amounted to \$5,132.06 of which \$4,190.57 and \$941.49 represented revenues from passengers and express, respectively. The total operating revenue averaged \$0.08012 per mile. The total direct or out-of-pocket operating expenses for the period amounted to \$16,941.80 or a per mile average of \$0.26448. This resulted in a net operating loss of \$11,809.74 for the year 1953. The item of expenses included no allowances for management, supervision, accounting expenses, printing of tickets or timotables. No allowance for advertising was included although some amounts were expended for advertising this particular route. (Exhibit No. 1). Comparable figures for the first two months of 1954 show an operation of 6,000 miles which produced passenger and express revenues of \$456.12 and \$101.45, respectively, totaling \$557.57, or an average of \$.09293 per mile of operation. Total out-of-pocket expenses for these two months was \$664.74, averaging \$0.27746 per mile. The net operating loss for these two months amounted to \$1,107.17 or \$0.18453 per mile of operation, (Exhibit No. 2).

Exhibit No. 3 shows the financial results of the operation from September 16, 1950, the date of re-establishment of the service, to and including the period ending December 31, 1953. During that period applicant operated 292,236 miles from which it received total operating revenues of \$46,784.04. The out-of-pocket expenses for the period amounted to a little over \$76,000 resulting in a net operating loss of approximately \$29,500, further details of which

are shown in the exhibit.

The witness stated that an analysis of traffic over the Petaluma, Ft. Bragg route for the month of March, 1954 showed that a total of 103 passengers were transported on the northbound schedules and 62 passengers in the opposite direction. The northbound and southbound trips respectively, averaged 7.36 and 4.43 passengers each. Fourteen round trips were provided during that month. The principal movement was between Petaluma and Point Arena. The evidence shows that 33 passengers rode from Petaluma to Point Arena and 17 in the reverse direction during the period. During the same period 43 passengers on the northbound trip had either origin or destination at Point Arena and on the southbound trips 28 passengers had origin or destination at Point Arena. Of the 165 passengers transported during March, 71 had either origin or destination at Point Arena, (Exhibit No. 5). During the same period 26 passengers traveled to or from Ft. Bragg, 17 northbound and 9 southbound, and 14 passengers traveled to or from Two Rock, 11 northbound and 3 southbound.

It was pointed out by the witness that 6 of the passengers traveling to or from Ft. Bragg had origin or destination at Petaluma who would continue to receive service from applicant over its operation via Cloverdale if the authority sought should be granted.

The record shows that applicant instituted through passenger stage service between Ft. Bragg and San Francisco via Cloverdale and Santa Rosa in October 1953. (Decision No. 49095, Application No. 34684). According to the company's witness practically all the traffic to or from the area Ft. Bragg-Navarro Junction inclusive has been diverted to the Cloverdale route from the coast route via Point Arena. Such diversion of traffic further

reduced the formerly low load factor on that route as shown in the following table:

Analysis of Passengers Tondored to and from Points on Ft. Bragg-Potaluma Route (via Point Arena) During Periods and in the Directions Indicated.

	Sept. 1953		Oct. 7 - Dec. 30, 1953		March 1954	
	25 round trips 6 days a week		37 round trips Mon., Wed. Friday		14 round trips Mon., Wed. Friday	
	South	North	South	North	South	North
<u>Points</u>						
Ft. Bragg	190	201	52	45	9	17
Mendocino	18	21	7	3	1	-
Other points	22	22	4	4	-	-
Navarro Jct.	1	5	6	5	-	-
Subtotal	231	249	69	57	10	17
Average passengers per schedule	9.24	9.96	1.86	1.54	0.71	1.21
Greenwood (Elk)	13	6	8	9	3	6
Manchester	11	5	12	7	5	3
Point Arena	34	85	72	88	18	4
Gualala	11	9	11	25	-	4
Stillwater Cove	5	8	23	16	2	4
Bodega and Bay	17	25	15	20	5	2
Other points	25	40	46	68	18	63
Subtotal	116	178	187	233	51	86
Average passengers per schedule	4.64	7.12	5.05	6.29	3.6	6.18
Grand Total	347	427	256	290	62	103
Average passengers per schedule	13.88	17.08	7.91	7.83	4.43	7.36

Applicant's witness testified that during the first three months of 1954 there has been a drastically accelerating decline in applicant's statewide traffic in California. Many schedules formerly requiring three stages can now be adequately served with one standard vehicle. He stated that applicant's system-wide passenger revenues for the months of January, February and March of 1954 compared to the same months of the preceding year showed declines of 4.02, 5.96 and 9.16 per cent respectively. The number of passengers carried, the miles of operation and passenger miles showed comparable declines. The witness said this is not peculiar to any portion of its operation in any one state. It was his opinion that the privately-owned automobile is principally responsible for most of this drop in traffic and revenues.

Protestants called 10 public witnesses who testified in opposition to applicant's proposal to discontinue service. These witnesses consisted of city and county officials, persons engaged in various businesses, private citizens and others. One witness stated the area has had public transportation service since 1906. He was of the opinion that such service should be continued as there are no doctors, dentists or hospitals at Point Arena or other points on the route within a reasonable distance of that town. The nearest hospital is at Ft. Bragg 48 miles away. It was said there were 20 or more elderly people residing at Point Arena who are not only without private means of transportation but are unable to drive automobiles. The opinion was expressed that merchants in the various municipalities carry relatively small stocks of goods and must make extensive use of public transportation to obtain urgently needed supplies. However, it was shown that the present schedule operated by applicant cannot be used very effectively for that purpose. The 1950 Federal census showed

a population of 374 for Point Arena according to its Mayor. He said the City Council is considering taking a special census. Preliminary thereto he and other members of the council had made a survey of the town and estimated its population is now approximately 500. Operators of hotels and resorts at different places along the coast stated they make occasional use of applicant's service for the transportation of small quantities of express. On a few occasions some of their guests have used applicant's service. One witness stated that she had established a home near Elk in reliance upon obtaining transportation by applicant. She has no private means of transportation. She said she knew of others in a similar situation. A ranch operator testified he has at least one employee who depends upon applicant's service.

The headmaster of a private school for boys at Stillwater Cove near Ft. Ross testified that the students of that school are dependent upon applicant for service to and from San Francisco. The extent of such dependence was not indicated. The school is composed of 9 staff members and approximately 35 students. Most weekends parents of some of the students visit the school. Some persons connected with the school, according to the witness, move over applicant's line. No detail of this traffic was offered for the record. Many of the students are brought to the school by their parents in their cars. The record shows that six persons used applicant's service to or from Stillwater Cove during March 1954. During the period September 1, 1953 to and including December 30, 1953 similar use was made by 52 persons. Applicant provides special service for the school when approximate full loads of passengers are to be moved. Such service would continue to be available.

The evidence of record shows the entire history of

operations by applicant, as well as by a temporary transferee, over the route proposed to be abandoned has produced a continuing loss of substantial proportions. This loss has persisted despite applicant's maintenance of a reasonably adequate and regular service with modern 29-passenger capacity equipment. Advertising the service over the line has been nonproductive. The loss pattern when round trip service was provided six days a week is comparable to the period when three rounds a week were made. It is characteristic and noteworthy that there was but one witness in opposition to applicant's plan who is dependent upon and occasionally uses the service. Other witnesses testified that they knew of persons who needed and used it. However, none of the latter was in attendance to support that claim. It was contended that establishment of service between Ft. Bragg and Santa Rosa via Cloverdale created a disadvantage to the coast route by diversion of traffic. While the record indicates there may have been some diversion of through traffic it also shows some passengers still use applicant's service over the coast route instead of the Cloverdale route when traveling between Ft. Bragg and Petaluma. Furthermore, the record shows that during the month of March 1954 the traffic to and from points on the coast route southerly of Navarro Junction was substantially less than the traffic of earlier periods as noted above.

From the evidence we find that continued operation of the line will result in further losses which will constitute an additional burden upon the remainder of applicant's system. This is not consistent with the public interest. A test of the public need for a transportation service is measured by the use made of it by those to whom the service has been dedicated. Here that test has not been met.

After fully reviewing all the evidence of record we find

that public convenience and necessity no longer require the service conducted by applicant between Petaluma and Navarro River Bridge via California State Highway No. 1. Applicant will be authorized to discontinue that operation. In reaching this conclusion we are not unmindful that some may be temporarily inconvenienced, but the record shows that many persons without cars obtained private transportation provided by others.

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 and the findings hereinabove expressed,

IT IS ORDERED:

(1) That Pacific Greyhound Lines is hereby authorized to discontinue passenger stage service between Petaluma and Navarro River Bridge and intermediate points via Two Rock, Tomales, Jenner, Ft. Ross and Point Arena over California State Highway No. 1 and unnamed county roads 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 Petaluma and Ft. Bragg at least 15 days next prior to discontinuance of such 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. 9.22 at First Revised Page 25 of Appendix A of Decision No. 47907, is hereby revoked and annulled.

(3) That Route No. 9.22 appearing at First Revised Page 25 of Appendix A of said Decision No. 47907 is hereby redefined as set forth in Second Revised Page 25 attached hereto as Appendix A.

(4) That Appendix A of Decision No. 47907 is hereby

amended by incorporating therein Second Revised Page 25 as referred to in paragraph (3) of this order.

(5) Applicant shall file in triplicate and concurrently make effective on not less than 15 days' notice to the Commission and the public appropriate tariffs and timetables 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 18th day of June, 1954.

John E. Marshall

PRESIDENT

Kenneth Lott

Gene Scaggs

COMMISSIONERS

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

9.17 - Between Tiburon Wye and Belvedere:

From Tiburon Wye, over unnumbered highway via Belvedere Junction to Belvedere.

9.18 - Between Belvedere Junction and Belvedere:

From Belvedere Junction, over unnumbered highway via Tiburon to Belvedere.

9.19 - Between Bolinas and Tamalpais Valley Junction:

From Bolinas, over unnumbered highway to junction California Highway 1, thence over California Highway 1 to Stinson Beach, thence over unnumbered highway via Bootjack, Alpine Lodge and Muir Woods Junction to junction California Highway 1 (Dias Ranch), thence over California Highway 1 to Tamalpais Valley Junction.

9.20 - Between Stinson Beach and Muir Woods Junction:

From Stinson Beach, over California Highway 1 to junction Frank Valley Road (Muir Beach), thence over Frank Valley Road via Muir Woods to Muir Woods Junction.

9.21 - Between Waldo Junction and Fort Baker Junction:

From Waldo Junction, over unnumbered highway via Sausalito to Fort Baker Junction.

*9.22 - Between Fort Bragg and Navarro River Bridge:

From Fort Bragg, over California Highway 1 to junction California Highway 28 (Navarro River Bridge).

9.23 - Between Navarro River Bridge and Cloverdale:

From junction of California Highway 1 and California Highway 28 (Navarro River Bridge), over California Highway 28 to Cloverdale.

Issued by Public Utilities Commission of the State of California.

*Redefined by Decision No. 50181. Coast route Navarro River Bridge to Petaluma abandoned.

Correction No. 70.