

ORIGINALDecision No. 50256

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
GLENDALE CITY LINES, INC., for)	Application No. 35028
authority to make certain adjust-)	
ments in night and Sunday service.)	

George H. Hook and John W. Holmes, for Glendale City Lines, applicant.

Henry McClernan, City Attorney, and John H. Lauten, Assistant City Attorney, for the City of Glendale; Milo Allen Parker and Helen Shepherdson, for Glendale Action Committee on Transportation; Mrs. Ralph Robinson, for Tuesday Afternoon Club of Glendale; Mrs. Charles E. Millikan and McKay Mitchell, for Mass Transportation Committee of Glendale; Mrs. Fred Gust for Parent Teachers' Association of Glendale; protestants.

W. E. Wetmore, for Brotherhood of Railroad Trainmen; Elizabeth F. Smith, for Lockheed Aircraft Employees, Swing Shift; interested parties.

William F. Hibbard, Associate Transportation Engineer, for the staff of the Public Utilities Commission of the State of California.

O P I N I O N

Glendale City Lines, Inc., applicant herein, is a passenger stage corporation rendering service as such, pursuant to authority from this Commission, in and around the City of Glendale. ⁽¹⁾ By the application herein it seeks authority to make certain adjustments in its night and Sunday service. In

(1) Decision No. 33757, dated December 21, 1940, on Application No. 23775.

order to make such adjustments a short extension is required, and applicant requests a certificate of public convenience and necessity therefor.

Public hearings on the application were held in Glendale before Examiner Rogers on February 15 and 26, 1954. At the conclusion of the latter hearing the matter was submitted. This Commission considered the record made at such hearings and determined that insufficient evidence had been presented upon which to base a decision. On May 4, 1954, it made its Order Setting Aside Submission and Reopening Application For Further Proceedings, restricted to a showing of the financial results of applicant's operations. A further hearing was set for June 11, 1954, in Los Angeles, and all parties who had theretofore appeared were notified. On June 11, 1954, additional evidence was presented in Los Angeles before Commissioner Pottor and Examiner Rogers, and the matter was submitted. It is ready for decision. ✓

Applicant has four lines in the City of Glendale (Line No. 4 extends into the City of Burbank and Line No. 1 extends a short distance into the City of Los Angeles). These four lines are depicted on Exhibit No. 3 herein. By this application it seeks authority, one, to discontinue

service at a time earlier than it presently discontinues service on all four lines on Mondays through Saturdays, inclusive; and, two, on Sundays and holidays (a) to eliminate the East Broadway Branch of Line No. 1 (extending from Broadway and Jackson Street, via Broadway to Wilson Avenue) and to combine the remaining portion of its No. 1 Line with its No. 2 Line, (b) to eliminate the Alameda-Mountain Branch of the No. 2 Line (from the intersection of Bel Aire Drive and Elm Avenue, via Elm Avenue, Mountain Street and Alameda Avenue to its intersection with Watson Street), and in lieu thereof to loop the Kenneth and Alameda Branch of the No. 4 Line by following the regular routes of the Nos. 2 and 4 Lines to Kenneth Road and Grandview Avenue and thence north along Grandview Avenue to Bel Aire Drive, thence west on Bel Aire Drive to Alameda Avenue, thence south on Alameda Avenue to Kenneth Road, thence via the regular route to Broadway and Brand Boulevard; (c) to serve along Bel Aire Drive between Elm Avenue and Alameda Avenue; and (d) to render hourly service on Sundays and holidays (commencing at Broadway and Brand) from 9:15 a.m. to 6:51 p.m. (2)

(2) For a summary of proposed Sunday schedules see Table 10, Exhibit 6. The Commission engineer recommended that services commence one-half hour earlier than proposed to accommodate passengers desiring to attend church. Applicant stated that schedules would be revised to provide such service.

At the hearings prior to the original submission, applicant presented evidence purporting to show that the number of passengers carried during the times when the service is to be discontinued or curtailed is but a small proportion of its passenger-carrying capacity ⁽³⁾ and that there has been since 1946 a steady decrease in the total number of passengers carried each year. The Commission's staff presented more comprehensive evidence relative to the number of passengers carried during the times of the proposed discontinuance. ⁽⁴⁾ One of applicant's witnesses alleged that increased expenses "are going to make it doubtful whether or not we will make a fair return next year." This statement is based on evidence that on November 1, 1953 coach operators received an increase of 11 cents per hour, that on September 1, 1954 coach operators will receive a further increase of 5 cents per hour, that effective November 1, 1953 shop employees received an increase of 10 cents per hour, and taxes have been increased.

At the hearing on June 11, 1954 applicant presented evidence to show the following: ⁽⁵⁾

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- (3) Exhibit No. 4.
 - (4) Exhibit No. 6.
 - (5) Exhibit No. 9

Revenue period (6)	<u>Year 1953</u>	<u>1st Four Months 1954</u>
Total Revenue	\$ 329,791.23	\$ 105,424.58
Total expenses in- cluding taxes	<u>304,337.79</u>	<u>100,940.29</u>
Net Income	\$ 25,453.44	\$ 4,484.29
Operating Ratio	92.28%	95.75%

The 1954 figures allegedly are misleading inasmuch as they include approximately \$1,450 which applicant realized from a tire refund and the sale of an automobile in the month of February. The figures do not reflect the wage increase of 5 cents per hour to coach operators which will be effective September 1, 1954.

Applicant's forecasts for the year ending June 30, 1955, at the present level of service and at the level proposed by the application herein, are as follows:

(6)	<u>Present Service</u>	<u>Proposed Service</u>
Total Revenue	\$ 304,515	\$ 296,315
Total expenses in- cluding taxes	<u>303,460</u>	<u>282,431</u>
Net Income	\$ 1,055	\$ 13,884
Operating Ratio	99.65%	95.31%

(6) Includes revenue of about \$1,200 per month from Metropolitan Coach Lines for an agreed portion of Metropolitan's revenue from its operations on Brand Boulevard in Glendale. For the first four months of 1954 this revenue, which is based on passengers carried by Metropolitan, is about 15% below that of 1953.

The number of passengers carried has declined each year since 1946 and continues to decline. A comparison of the number of passengers carried during the first five months of 1953 with the number of passengers carried during the first five months of 1954 is as follows:

	<u>1953</u>	<u>1954</u>
January	237,361	212,202
February	222,169	208,139
March	247,187	230,465
April	236,739	224,046
May	234,813	215,045

The application was opposed by the City of Glendale, various civic groups and individuals. The City presented no affirmative evidence. The other protestants, in the main, desired that the applicant try other routings and retain the night and Sunday schedules. Concerning the Sunday schedules, applicant agreed to modify its proposed services to provide transportation to churches in time for services.

In our opinion the applicant is justified in curtailing and modifying its services as it proposes, subject to the retention of certain schedules on Sunday suggested by the Commission's staff and to which applicant agreed. The staff's report (Exhibit No. 6) shows that on weekdays travel is very light during the hours of the proposed discontinuance, and that some schedules travel empty. On Sundays travel is light enough to justify reducing the number of trips and consolidating routes.

In addition to the lack of patronage during the proposed periods of curtailment, the record shows that if the request is not granted applicant will have, when the wage

increases go into effect in September 1954, an operating ratio of 99.65%. This is, of course, not reasonable and does not give the applicant a fair return.

After considering the record herein we find that applicant's proposals, subject to the modifications suggested by the staff's representative, permit the elimination of unjustified operation with the attendant reduction in operating expenses, are not adverse to the public interest, and should be authorized. We further find that public convenience and necessity require that applicant be granted authority to operate passenger stages in Bel Aire Drive between its intersections with Elm Avenue and Alameda Avenue.

O R D E R

A public hearing having been held, evidence having been presented, the matter having been submitted and the Commission having made the findings set forth in the opinion herein,

IT IS ORDERED:

(1) That Glendale City Lines is hereby authorized to adjust its night and Sunday and holiday service as requested in the application herein, with the exception that Sunday schedules on Lines Nos. 2, 3 and 4 shall commence at least one-half hour earlier than proposed in order to accommodate persons desiring to attend church.

(2) That Glendale City Lines shall post notices in all its buses and terminals indicating specifically the changes in

routing and schedules which will result from operations conducted pursuant to this order. Such notices shall be so posted and shall remain continuously posted during a period of not less than ten days prior to the establishment of service pursuant to this order. Proof of such posting shall be filed with the Commission within thirty days after the establishment of such service.

(3) That a certificate of public convenience and necessity be, and it hereby is, granted to Glendale City Lines authorizing the establishment and operation of a service as a passenger stage corporation as defined in Section 226 of the Public Utilities Code, for the transportation of passengers along Bel Aire Drive between its intersections with Elm Avenue and Alameda Avenue, as an extension of and to be consolidated with its existing rights.

(4) That in providing service pursuant to the certificate herein granted Glendale City Lines shall comply with and observe the following service regulations:

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted.
- (b) Within sixty days after the effective date hereof, and upon not less than five days' notice to the Commission and the public, applicant shall establish the service herein authorized and file in triplicate and concurrently make effective tariffs and time schedules satisfactory to the Commission.

Applicant is authorized to turn its motor vehicles at termini and intermediate points,

in either direction, at intersections of streets or by operating around a block contiguous to such intersections, or in accordance with local traffic rules.

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

Dated at San Francisco, California,
this 6th day of July, 1954.

John E. Mitchell
President

Justin J. Calver

Herbert Potter

Gene Higgins

Commissioners