

**ORIGINAL**

Decision No. 50399

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of LEONARD H. GUEST and	)	
RUSSELL T. SMITH, doing business as	)	
SALINAS TRANSIT CO., for permission	)	
to abandon a portion of the routes	)	Application No. 35602
previously being served by applicant	)	
within the City of Salinas and in the	)	
immediate vicinity thereof.	)	

Leonard H. Guest for applicants.

O P I N I O N

By application filed July 13, 1954, Leonard H. Guest and Russell T. Smith doing business as Salinas Transit Co. request authority to abandon the portion of their service north of the Southern Pacific tracks. As justification it is alleged that there is insufficient demand for transportation to and from the areas served by that portion of Route 2 proposed to be abandoned. It is stated in the application that less than 17¢ per mile has resulted over this portion of the service area which is far less than the amount necessary to meet cost of operation there.

Public hearing was held before Examiner John Rowe on July 29, 1954 in Salinas, California. Evidence was submitted in support of the application 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 published in Salinas and posted in the buses as required by the Commission. Notice was served on the City of Salinas and on the Chamber of Commerce of Salinas. However, no one appeared in opposition to the requested abandonment.

According to the bookkeeper of applicants the revenue over the route to be abandoned came to about \$350 per month on the average. During July, 1954, the revenue through the 27th was only \$232. The salary of the bus driver alone on this route is \$300 per month. The net loss per month on the route to be abandoned is approximately \$300. Applicant Guest testified only about four passengers per trip availed themselves of the service. Applicants are presently suffering a loss on their over-all operation. With the elimination of the loss from the route to be abandoned the witness Guest stated that the remaining operation will become profitable.

The Commission is of the opinion and finds that the requested abandonment of service should be permitted. Applicants should not be required to suffer this continuous loss of revenue over a route not required by a substantial public convenience and necessity. It appears that operation over this portion of applicants' service has not been and cannot be made profitable.

O R D E R

Application as above entitled having been filed, public hearing having been held and the matter being duly submitted,

IT IS ORDERED:

(1) That Leonard E. Guost and Russell T. Smith, doing business as Salinas Transit Co. do, and they hereby are, authorized to abandon and discontinue passenger stage service north of East Alisal Street along Main Street, Gabilan Street, Lincoln Street, Natividad Street, Railroad Street, North Main Street, East Laurel Drive, Tapadero Street, East and West Curtis Street, Tyler Street and East Laurel Street to Hyland Street.

(2) That applicants be, and they hereby are authorized

to cancel all fares, rules, regulations and schedules applying to the service herein authorized to be abandoned by ordering paragraph (1) herein.

(3) That description of Route 2 in subparagraph (2) of Decision No. 49574 in Application No. 35027 dated January 18, 1954 be, and it hereby is, amended to read as follows:

Route 2

Beginning at the intersection of East Alisal and Main Streets thence along Main Street, Clay Street, South Main Street also known as Salinas-Monterey Road to West Romie Lane.

(4) That as amended hereby and by Decision No. 50302 in Application No. 35271 dated July 20, 1954 said Decision No: 49574 shall remain in full force and effect.

(5) That, at least ten days prior to the abandonment of service herein authorized applicants shall post notice thereof in a conspicuous place in the buses operated over said portion of the route to be abandoned.

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

Dated at San Francisco, California, this 10<sup>th</sup> day of August 1954.

*John E. Mitchell*  
(President)  
*James J. Adams*  
*Benjamin P. Patten*  
*Gene Ferguson*

Commissioners