

ORIGINALDecision No. 51602

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of METROPOLITAN COACH LINES,)
 a corporation, and ASBURY RAPID TRANSIT)
 SYSTEM, a corporation, for authority to)
 make inter-company exchange of motor)
 coaches.)

Application No. 36975

O P I N I O N

Metropolitan Coach Lines, a California corporation (hereinafter called Metropolitan), and Asbury Rapid Transit System, a California corporation (hereinafter called Asbury), are rendering passenger stage services between points in Los Angeles, Orange, San Bernardino and Riverside Counties in California pursuant to authority from this Commission. By this Commission's Decision No. 50285, dated July 20, 1954, in Application No. 35574, and Decision No. 50305, dated July 22, 1954, in Application No. 35574, Metropolitan was authorized to acquire the common stock of Asbury, and the application herein alleges Metropolitan assumed active control of Asbury on August 3, 1954.

By the application herein, filed on May 18, 1955, Metropolitan seeks authority to transfer to Asbury operating control but not the ownership of the following motor coaches or equivalent substitutes therefor:

<u>COACH NUMBERS</u>	<u>MAKE</u>	<u>MODEL</u>	<u>YEAR PURCHASED</u>	<u>SEATING CAPACITY</u>	<u>NUMBER</u>
2878 to 2889, Incl.	GMC	TDH 5103	1951	48	12
2688 to 2699, Incl.	GMC	TDH 4506	1945	45	12

and Asbury seeks authority to transfer to Metropolitan operating control but not the ownership of the following motor coaches or equivalent substitutes therefor:

<u>COACH NUMBERS</u>	<u>MAKE</u>	<u>MODEL</u>	<u>YEAR PURCHASED</u>	<u>SEATING CAPACITY</u>	<u>NUMBER</u>
108 and 109	TWIN	41 S	1948	42	2
126 to 135, Incl.	TWIN	FTC-200-53	1954	54	10
125	TWIN	52-S2P	1951	54	1

The application alleges that Metropolitan has a large operating division and garage at Van Nuys and Asbury has a small operating division and garage at San Fernando, and that the two divisions are located about six miles apart and can be combined with material savings. In order to accomplish these savings, it is alleged, it is necessary to make certain equipment changes as the coaches operated by Asbury at its San Fernando division are all propane powered, whereas Metropolitan's Van Nuys division has no propane fueling facilities. It is proposed to transfer to Asbury 24 of Metropolitan's diesel-powered motor coaches which will permit the closing of Asbury's San Fernando division, and also the retirement from service of 17 Mack motor coaches of Asbury that were purchased in 1940 and have become very expensive to maintain. It is also proposed to transfer to Metropolitan 13 of Asbury's propane-powered motor coaches which can be operated by Metropolitan from the Glendale division which is equipped with propane fueling facilities.

It is further alleged in the application that each company will be responsible for all operating costs, except major

overhauls, of all motor coaches transferred to it; that the consideration for the proposed transfer is the exchange of the equipment, one to another; that each company will continue to pay all weight fees, license fees, and other taxes according to ownership of equipment; that depreciation charges and fire insurance shall be paid by the respective owners of the motor coaches; and that the users of the coaches will pay the public liability and property damage insurance premiums thereon.

The applicant states that the proposal, if permitted, will result in more economical operation and provide the public with newer and better motor coaches in some instances.

In our opinion the proposal is not adverse to the public interest. The application will be granted. A public hearing is not necessary. The action taken herein shall not be construed to be a finding of value of the property herein authorized to be transferred.

O R D E R

Application having been made and the Commission being fully advised in the premises,

IT IS ORDERED:

(1) That Metropolitan Coach Lines and Asbury Rapid Transit System may respectively transfer one to the other the operating control only, but not the ownership, of the motor coaches described in the opinion herein, or their equivalents, for no consideration other than the said transfers of equipment, said transfers to be completed within 30 days from the effective date hereof.

(2) That within thirty days after the consummation of the transfer herein authorized applicants, or either of them, shall notify the Commission in writing of that fact.

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

Dated at San Francisco, California,
this 21st day of June, 1955.

[Signature]
President

JUSTIN F. CUNNINGHAM

ROBERTA WATSON

[Signature]

[Signature]

Commissioners