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Decision No. 52211

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of)	
V. M. McDonald and J. D. Hansen)	
dba SAN PEDRO TRANSIT LINES for)	Application No. 37306
the suspension of service on the)	
SAN PEDRO to REDONDO BEACH line.)	

V. M. McDonald, for applicants.

Mrs. Richard E. Grove, Mortance B. Doepke,
Victor Forcaro, James Crowe, protestants.

Joseph M. Balthazor and Al Kerwin, interested parties.

O P I N I O N

Applicants have authority from this Commission to render service as a passenger stage corporation in San Pedro (a portion of the City of Los Angeles) and certain contiguous territory in the County of Los Angeles. ^{1/} No part of this service is south of 6th Street in San Pedro. In addition, applicants are authorized to render service between San Pedro and Redondo Beach, via a route which, generally, is from the intersection of 6th Street and Harbor Boulevard, in San Pedro, via 6th Street and Western Avenue to Palos Verdes Drive South and other streets into Redondo Beach. ^{2/} This latter authority has several

^{1/} Decision No. 48598, dated May 19, 1953, in Application No. 34277; Decision No. 49465, dated December 21, 1953, in Application No. 34894.
^{2/} Decision No. 50435, dated August 17, 1954, in Application No. 35300; Decision No. 51935, dated September 6, 1955, in Application No. 37020.

restrictions, including the restriction that applicants shall not transport passengers locally "between applicant's (sic) terminal in San Pedro and the intersection of Western Avenue and 25th Street (Palos Verdes Drive South), but not including said intersection."

By the application herein, filed on September 19, 1955, the applicants request authority to suspend the San Pedro to Redondo Beach service for a period of one year, commencing October 15, 1955. A public hearing was held in San Pedro on October 17, 1955, before Examiner Kent C. Rogers. Prior thereto this Commission mailed notices thereof to the City Councils of the Cities of Palos Verdes and Redondo Beach and to the Department of Public Utilities and Transportation of the City of Los Angeles. None of these appeared at the hearing. The applicant posted notices of the hearing as required by this Commission.^{3/} Several protestants and interested parties appeared at the hearing. They will be referred to subsequently herein.

V. M. McDonald, one of the owners of the San Pedro Transit Lines, presented evidence in support of the application. He stated that a round trip on the line is 38.8 miles in length; that applicants make five round trips each day, seven days per week; that the revenue per mile is between six and seven cents; and that the cost per mile of operation is 22.5 cents. He further testified that for the period from September 1, 1954, the day the service was inaugurated, to August 31, 1955, the cost of operation was \$14,676 and the revenue was \$4,447.

^{3/} Exhibit No. 1.

There has been, he said, no month in which the revenue has equalled the cost of operation. The witness stated that the service was originally started to serve Marineland, about midway between San Pedro and Redondo Beach; that at the start of the service the applicants had passengers to and from Marineland on weekdays, but that they now have very few passengers to and from Marineland except on weekends. The witness was of the opinion that if the authority were suspended for one year the area served would build up to the extent that service could be resumed at a profit.

Several parties interested in a new housing development being constructed near the intersection of 25th Street (the extension of Palos Verdes Drive South) and Western Avenue appeared as protestants or interested parties. Three of the protestants testified.

A salesman for the developers of the housing project testified that there are now 260 completed and occupied homes with about 1,000 occupants, and that there will be 1,600 homes with about 6,000 occupants. He said that the development is about three miles from the San Pedro business district and is served by the line in question which renders no local service between the intersection of 25th Street and Western Avenue and the San Pedro terminus. He said that if the service is discontinued, the nearest passenger stage service for residents of the area will be about seven-tenths of a mile (Gaffey-Sepulveda Bus Line, an intra-city service not now regulated by this Commission, which terminates at 25th Street and Patton Avenue). He stated that prospective home purchasers are advised that applicants' service is available to and from San Pedro.

A housewife residing in the new development testified that she uses the service two or three times per week to and from San Pedro, and that her daughter uses the service from school in San Pedro. This witness estimated that occupants of homes in the area would be required to walk about seven-tenths of a mile for service to and from San Pedro if the service is abandoned.

In rebuttal, Mr. McDonald testified that there are, on an average, only two or three passengers a day between the housing development area and San Pedro, with the number of passengers varying from none to six per day. He stated that for a period of two months he had an extra service early in the morning (the first regular service from Redondo Beach arrives at 25th Street and Western Avenue at 10:40 a.m.) and during the trial period he averaged three passengers per day on this special run.

A lady residing near 19th Street and Grand Avenue, over one mile from the applicants' service, stated that she uses applicants' service several times per week to and from Redondo Beach. She can, she said, use the Greyhound Lines, but applicants' service is more direct.

We have considered the record herein and are of the opinion and find that the proposed suspension of service is justified. It will be authorized. Applicants are hereby placed upon notice that if they do not resume service on or before October 15, 1956, they will be considered to have abandoned the suspended rights, and the order herein will provide that unless

service is resumed on or before October 15, 1956, authority to serve between Redondo Beach and San Pedro will be automatically revoked.

O R D E R

Application for permission to suspend service for one year having been made, a public hearing having been held thereon, and the Commission having found that the proposed suspension of service is justified,

IT IS ORDERED:

(1) That V. M. McDonald and John D. Hansen are authorized to suspend, until and including October 14, 1956, passenger stage operations between Redondo Beach, on the one hand, and San Pedro, on the other hand, such operations being now conducted pursuant to authority of Decision No. 50435, dated August 17, 1954, in Application No. 35300, and Decision No. 51935, dated September 6, 1955, in Application No. 37020.

(2) That prior to the suspension of service as herein authorized, applicants shall post clearly visible notices in all of their stages and terminals, and at all of the stops along the route where service is to be suspended. Such notices shall advise when the suspension of service is to commence and shall remain posted for at least ten days prior to the discontinuance of service as herein authorized.

(3) That V. M. McDonald and John D. Hansen shall file in triplicate supplements to their tariff and timetables, indicating the suspension of service herein authorized. Such filings shall

be made within thirty days after the effective date of this order and upon not less than five days' notice to the Commission and the public.

IT IS FURTHER ORDERED that unless the service authorized by Decision No. 50435, dated August 17, 1954, in Application No. 35300, as amended by Decision No. 51935, dated September 6, 1955, in Application No. 35300, is resumed under its present schedules and fares on or before October 15, 1956, the authority granted by said decisions will be cancelled and rescinded as of said date without any further order of this Commission, and it will then be unlawful for applicant to render service over any portion of the route without securing a certificate of public convenience and necessity therefor from this Commission; and that should the suspended service be resumed on or before October 15, 1956, applicant shall file in triplicate appropriate supplements to their tariffs and timetables on not less than five days' notice to the Commission and the public.

The effective date of this order shall be ^{FIVE} ~~twenty~~ days *after* after the date hereof.

Dated at Los Angeles, California, this 14th day of November, 1955.

E. Mitchell

President
Justice D. Cravens

Ralph Lutz

Markus

B. Hardy

Commissioners