

Decision No. 52265**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 John Tutsie, doing business as Green)
 Bus Service, to sell, and Wayne Vaughn)
 and Gerald Bewick to purchase equipment)
 and passenger stage operating rights in) Application No. 37265
 the City of San Luis Obispo and vicinity,)
 and certificate of public convenience)
 and necessity; and application of said)
 Wayne Vaughn and Gerald Bewick for change)
 in rates.)

O P I N I O N

John Tutsie seeks authorization to transfer the Green Bus Service to Wayne Vaughn and Gerald Bewick. The latter seek authority to purchase said operation and to increase local fares from 15 cents to 20 cents.

The transfer includes operative rights authorizing the transportation of passengers within the vicinity of San Luis Obispo, and between said city and the Town of Avila. Also included in the transfer are four pieces of equipment valued at \$3,000, plus all fare boxes, transfers and miscellaneous equipment. Applicant purchasers have agreed to assume the liability for the unpaid balance of \$3,200 on a 1954 Ford Coachette which is being purchased by applicant seller under a conditional sales contract. According to a copy of the sales agreement attached to the application, the agreed purchase price is \$3,000. The terms of said agreement require a down payment of \$1,000, payable on July 1, 1955, and monthly payments of \$100, commencing on August 1, 1955, and continuing to and including December 1, 1956, with the balance payable on January 1, 1957, with interest at the rate of 6 per cent per annum on the unpaid balance.

The present fare between San Luis Obispo and Avila is 25 cents. Locally, within the vicinity of San Luis Obispo, the fare is 15 cents. It is the latter fare which applicants seek to increase to 20 cents.

A study by the Commission's staff estimates that for a rate-year ending October 31, 1956, the operations will show a loss of \$1,780 after taxes under present fares. Under the proposed fares it is estimated that the operations will show a net profit of \$220 after taxes for the same period. Said figures include provision for wages for applicants Vaughn and Bewick.

Notice of the proposed increase was posted in the buses. No protest has been received. The Commission is in receipt of a letter from the City of San Luis Obispo stating that the City has no protest to the authority sought.

Upon consideration, the Commission is of the opinion and so finds that the proposed transfer will not be adverse to the public interest and that the proposed increase in fares is justified. The Commission further finds that the money, property or labor to be procured or paid for by the issue of the evidence of indebtedness, herein authorized, is reasonably required by applicants for the purpose specified herein, and that the expenditure for such purpose is not, in whole or in part, reasonably chargeable to operating expense or to income. The action taken herein shall not be construed to be a finding of the value of the rights and properties herein authorized to be transferred. A public hearing does not appear to be necessary.

O R D E R

Application having been filed and the Commission having been informed in the premises,

IT IS ORDERED:

(1) That John Tutsie may sell and transfer to Wayne Vaughn and Gerald Bewick, on or before March 1, 1956, the operative rights acquired by Decision No. 47817, dated October 14, 1952, in Application No. 33731, and the property referred to in the copy of the sales agreement attached to the application.

(2) That on not less than five days' notice to the Commission and to the public, applicants shall supplement or reissue the tariffs and timetables on file with the Commission naming rates, rules, regulations and schedules governing the common carrier operations here involved to show that John Tutsie has withdrawn or canceled and Wayne Vaughn and Gerald Bewick have adopted or established as their own said rates, rules, regulations and schedules.

(3) That applicants Wayne Vaughn and Gerald Bewick may incur indebtedness of \$2,000 in accordance with the terms of the sales agreement attached to the application and assume the unpaid balance of \$3,200 on the conditional sales contract for the 1954 Ford Coachette. }

(4) That upon the transfer authorized in paragraph (1) hereof, applicants Wayne Vaughn and Gerald Bewick are hereby authorized to establish, on not less than five days' notice to the Commission and to the public, the increased fares herein proposed.

(5) That applicants Wayne Vaughn and Gerald Bewick are hereby directed to post and maintain in their vehicles a notice of the increased fares herein authorized. Such notice shall be given not less than five days prior to the effective date of such fares, and shall be continued for a period of not less than thirty days.

(6) That the authority herein granted in paragraph (3) hereof shall expire unless exercised on or before March 1, 1956.

(7) That this order shall become effective when applicants have paid the fee of \$25 as required by Section 1904 of the Public Utilities Code.

Dated at San Francisco, California, this 22nd day of November, 1955.

John E. Mitchell
President

Justus F. Caswell

Ralph L. Linters

Thomas J. Walsh

B. Hardy
Commissioners

