

ORIGINALDecision No. 52509

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GREYHOUND LINES)
 for authority to operate its authorized)
 service between Lakeport and Upper Lake) Application No. 36521
 on a summer-season basis.)

Douglas Brookman, for applicant, Earl Proett in
 propria personae, protestant.
Dean Turner, Supervisor, District No. 3, protestant.
Charles E. Bridgett, for the Commission's staff.

O P I N I O N

In this proceeding Pacific Greyhound Lines requests authority to reduce its passenger stage service between Lakeport and Upper Lake from an all-year service to a summer season service extending from approximately June 10 to September 10 of each year. A public hearing was held thereon before Examiner Leo C. Paul at Lakeport on February 15, 1955, and the matter was submitted.

Two of applicant's operating officials testified in support of the proposal. Through their testimony and exhibits it was shown that applicant now operates a daily service between San Francisco and Upper Lake via Santa Rosa, Calistoga, Middletown, Lower Lake Junction, Kelseyville and Lakeport. During the summer season extending from approximately June 10 to September 10, that portion of the route of this operation extending from Middletown to Lower Lake Junction is operated via Hobergs, Seigler Springs and Lower Lake. During the winter season (approximately September 10 — June 10) said portion of the route is operated via Lower Lake only. During the summer season an additional schedule

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operates between Calistoga and Clear Lake Oaks via Lower Lake. The Calistoga-Clear Lake Oaks schedule goes into effect during the week preceeding Memorial Day and is discontinued during the week following Labor Day. Under applicant's proposal Upper Lake would receive the same summer season service as Hobergs, Seigler Springs, Clear Lake Oaks and other Lake County resort areas.

The over-all route distance between San Francisco and Upper Lake was said to be approximately 138 miles. Upper Lake is approximately 10 miles north of Lakeport and is the northern terminus of the route.

Exhibit No. 1 shows that on the average applicant transported a total of four passengers daily between Lakeport and Upper Lake. This estimate was based upon the records of one week of each month of the year 1954. Holidays were excluded.

From Exhibit No. 2 it appears that the preponderance of the traffic of the line is derived from that part of the route extending from San Francisco to Santa Rosa. The entire traffic between Santa Rosa and Lake County points is about one-third of the traffic of the San Francisco-Santa Rosa portion of the operation. A comparison of the traffic and the operating results of the line and the areas designated, as shown in Exhibit No. 2, appears in the table below. The results of the Lakeport-Upper Lake operation indicated separately in Column 4 are also included in the Column 1 statistics.

The calculations are based upon applicant's experience during the week of November 1 to 7, 1954, inclusive.

	-1-	-2-	-3-	-4-
	<u>Lake County- Santa Rosa</u>	<u>Santa Rosa- San Francisco</u>	<u>Total</u>	<u>Lakeport- Upper Lake</u>
<u>Bus Miles</u>	1,232	798	2,030	140
<u>Passengers</u>				
Local to each segment.	138	455	593	
Psngrs traveling bet pts No and So of Santa Rosa	67	67	67	
	205	522	660	16
<u>Passenger Miles</u>				
Local to each segment.	4,884	14,038	18,922	
Psngrs traveling bet pts No and pts So of Santa Rosa	3,987	3,624	7,611	
	8,871	17,662	26,533	160
<u>Passenger Revenue</u>	\$ 202	\$ 402	\$ 604	\$3.64
<u>Passenger Revenue per Bus Mile</u>	16.4¢	50.4¢	29.8¢	2.6¢
<u>Average Passengers Per Mile (Average Load)</u>	7.2	22.1	13.1	1.1

Exhibit No. 3 shows that during the entire year of 1954 applicant operated over 136,000 miles in conducting the San Francisco-Lake County operation, transported 49,579 passengers and received \$49,283 revenue. The monthly detail of those items and other elements are set forth in the margin. ⁽¹⁾

(1)	Passengers	Bus Miles	Passenger Miles	Passenger Revenue	Rev. Per Bus Mile (in cents)	Per cent of Seats Occupied
1954						
January	3,134	9,388	129,500	\$ 2,749	29.28	36.30
February	3,018	8,259	116,400	2,471	29.92	27.09
March	3,182	8,958	118,700	2,572	28.71	34.86
April	3,362	8,985	137,000	3,115	34.67	40.12
May	4,022	10,748	170,800	3,884	36.14	41.82
June	4,885	14,291	221,900	5,047	35.32	40.87
July	6,826	16,164	334,000	7,599	47.01	53.35
August	6,983	16,768	349,000	7,944	47.38	53.36
September	5,120	14,333	245,000	5,576	38.90	43.83
October	3,164	9,922	122,000	2,764	27.86	31.53
November	3,045	9,593	117,000	2,671	27.84	31.28
December	2,838	9,218	127,000	2,891	31.36	35.28
Total	49,579	136,627	2,188,300	\$49,283	36.07	41.57

One of applicant's witnesses testified that the express traffic moving to and from Upper Lake is very limited. It consists principally of auto parts, a few miscellaneous items and livestock breeding supplies of one receiver. The latter constitutes about 60 to 75% of the total of the express traffic according to the witness. The entire gross revenue of all express traffic in and out of Upper Lake would approximate \$1.50 a day. If such revenue were properly allocated the amount credited to Upper Lake would be insignificant. He also said that Upper Lake is served by highway common carriers which are able to handle all freight traffic demands to or from that point. These witnesses expressed the opinion that applicant would be able to retain at least 90% of the Upper Lake traffic during the off-season which would be received or delivered at Lakeport. The San Francisco-Lake County operation as a whole shows a passenger revenue amounting to 36.07¢ per bus mile, (Exhibit No. 3) whereas the full cost of the operation was asserted to be approximately 38¢ per bus mile. One of applicant's witnesses stated that based upon the full cost of the operation applicant experienced a loss from its operation between Upper Lake and Lakeport of approximately \$7.60 a day during 1954. He also said that whereas the year around average revenue per bus mile of the San Francisco-Lake County service amounts to 36.07 cents, the same revenues for the test period in the first week of November were 29.8 cents per bus mile as compared to 2.6¢ per bus mile for the same traffic between Lakeport and Upper Lake.

A local public official and a representative of a church group expressed their views in opposition to applicant's request. The latter also operates a grocery store at Upper Lake and said he relies upon applicant for meat shipments particularly in the summertime. His winter use of applicant's service is infrequent.

The official said the population of Lake County is approximately 12,000 with the lowest per capita income of any California County. It was his opinion that permanent residents of Upper Lake are in need of applicant's service throughout the year notwithstanding the infrequent use made of it. Another witness testified she has occasion to travel from Upper Lake to Lakeport about once each month and having no private transportation needs the continued service of applicant.

A breeder of livestock testified that he depends upon applicant's service for the frequent delivery of the commodity needed in his business. Shipments as needed are shipped fresh from Petaluma and received by him at Upper Lake around 6:30 to 7:00 p.m. for use the same day. Notwithstanding that he lives within about 7½ miles from Lakeport he was skeptical of his ability to take delivery there and effectively continue his business.

An engineer of the Commission's staff made a study of applicant's traffic to and from Upper Lake (Exhibit No. 4). He testified the study covers one week of each month of the year 1954 (84 days). This basic information was obtained from applicant's records. The entire revenue derived from such traffic, both passengers and express was credited to Upper Lake without consideration of allocation to any other part of applicant's system. The total revenue for the test period was \$633.78. Of this total revenue, \$379.60 was earned during the winter season and established by the witness by excluding the revenues of the three summer months of June, July and August. Revenues for the three latter months amounted to \$254.18.

The Commission's engineer stated that his study was not intended to set forth a premise that all the off-season traffic would be lost or, for that matter, retained under applicant's proposal. He knew of no formula whereby a precise estimate in that regard could be made.

After a full consideration of all the evidence of record it is our opinion and we find that public convenience and necessity no longer require passenger stage service by applicant during the winter season between the approximate dates of September 10 and the following June 10 of each year between Lakeport and Upper Lake. In reaching this conclusion the Commission is mindful of the fact that there will be some inconveniences to the few users of the service between those points during the winter months. However, an average use of less than 1.3 passengers per trip in our opinion indicates that the public need for the service to all intents and purposes has practically disappeared. In the light of such circumstances the carrier should not be required to continue such operations. Therefore, the application will be granted.

O R D E R

An application therefor having been made, a public hearing having been held thereon, the matter having been duly submitted and the Commission hereby finding that public convenience and necessity no longer require the passenger stage operation by applicant between Upper Lake and Lakeport during the season of approximately September 10 to the following June 10,

IT IS HEREBY ORDERED:

(1) That Pacific Greyhound Lines is hereby authorized to discontinue passenger stage service between Lakeport and Upper Lake

during the winter season between the approximate dates of September 10 of each year and June 10 of the following year.

(2) Public notice of discontinuance of service as herein authorized shall be posted in all equipment of applicant operating between San Francisco and Lake County points and in the depots of applicant at San Francisco, Santa Rosa, Lakeport and Upper Lake for not less than 10 consecutive days next preceding such discontinuance. Proof of such postings shall be furnished the Commission within not less than 5 days thereafter.

(3) That Appendix A of Decision No. 47907 in Application No. 31883 is hereby amended by including therein 1st Revised Page 16 which is attached hereto as Appendix A.

(4) That, within sixty days after the effective date hereof and on not less than ten days' notice to the Commission and to the public, applicant shall file in triplicate, and concurrently make effective, appropriate tariffs and timetables reflecting the authority herein granted.

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

Dated at San Francisco, California, this 23rd day of January, 1956.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners

ROUTE GROUP 6

6.01 - Between Upper Lake and Calistoga:

From Upper Lake, over California Highway 29 to Calistoga.

6.02 - Between Clear Lake Oaks and Middletown:

From Clear Lake Oaks, over California Highway 20 to junction California Highway 53 (Williams Junction), thence over California Highway 53 to Middletown.

6.03 - Between Lower Lake Junction and Lower Lake:

From Lower Lake Junction, over unnumbered highway via Springs Junction to Lower Lake.

6.04 - Between Springs Junction and Middletown:

From Springs Junction, over unnumbered highway via Seigler to Middletown.

SPECIAL RESTRICTIONS

S-6.01 - On the following routes, summer-season service only is authorized:

- (a) Between Clear Lake Oaks and Lower Lake via Williams Junction (part of Route 6.02).
- (b) Between Lower Lake Junction and Middletown via Hobergs (part of Route 6.01).
- (c) Between Springs Junction and Middletown via Seigler Springs (part of Route 6.04).
- *(d) Between Lakeport and Upper Lake (part of Route 6.01).

S-6.02 - On the following routes, winter-season service only is authorized:

- (a) Between Lower Lake and Middletown via California Highway 53 (part of Route 6.02).
- (b) Between Lower Lake Junction and Springs Junction (part of Route 6.03).

Issued by Public Utilities Commission of the State of California

*Added by Decision No. 52509 Application No. 36521.

Correction No. 118