

Decision No. 54612**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GREYHOUND LINES )  
 for authority to cancel certain of its )  
 passenger stage schedules between Los )  
 Banos, on the one hand, and Modesto and )  
 Merced, on the other hand; to abandon )  
 its authorized route between Patterson )  
 and Turlock; and to convert its regular )  
 route between Wheel Inn and Merced to )  
 an alternate route. )

Application No. 37816

Douglas Brookman for applicant;  
William Logan, City Attorney, for the City of  
 Patterson; Logan and Densmore by William Logan  
 for the Chambers of Commerce of Patterson,  
 Newman and Gustine, protestants; William B.  
Treadwell, County Counsel for the Board of  
 Supervisors, County of Merced, protestant;  
 John H. Sorenson for Dos Palos District Chamber  
 of Commerce, protestant; Dan Halpin for Merced  
 County Chamber of Commerce and Vern Bacciarini  
 for automotive parts merchants of Merced,  
 protestants.

O P I N I O N

In this proceeding Pacific Greyhound Lines requests authority to discontinue a local round-trip passenger stage service having its origin and destination at Merced. A public hearing thereon was held before Examiner Leo C. Paul at Merced on August 15, 1956, and the matter was submitted.

The evidence shows that the service proposed to be discontinued is a so-called single unit operation notwithstanding that four separate schedule numbers are assigned to it for asserted statistical purposes. That is to say that one driver and one bus are assigned to the operation involved and are not used in any other service. (Tr. 9)

The driver's work period is spread over nine hours and fifty minutes during which he drives about 214 miles in about five and one-half hours, according to the record. (Tr-9 and 10). The service is operated five days a week with no service on Wednesdays and Thursdays. Leaving Merced at 11:40 a.m. and returning there at 9:30 p.m. the driver will have followed a zigzag course through Wheel Inn, Los Banos, Newman, Patterson, Turlock and Modesto, returning via Vernalis Junction, Patterson, Los Banos, Wheel Inn and other points, providing what some witnesses referred to as a shuttle service between such of those points as are on U. S. Highway 99, on the one hand, and on the other hand, points on the "West Side" of San Joaquin Valley. Outbound beyond Patterson the route forms a large one-way terminal loop through Turlock, Modesto and Vernalis Junction. The driver lays over about three hours and fifty-two minutes at Modesto. The four local schedules which applicant desires to discontinue are operated in the following manner:

Schedule No. 3247	( 11:40 A.M. Lv. Merced ( ---- " " El Nido ( 12:19 P.M. " " Wheel Inn ( 12:34 " " Arr. Los Banos	Arr. 9:30 P.M.) ----)Schedule No. 3248 Lv. 8:52 " 8:35
Schedule No. 3251	( 12:55 " " Lv. Los Banos ( 1:37 " " " Newman ( 1:56 " " " Patterson ( ---- " " " Vernalis Jct. ( 2:20 " " " Turlock ( 2:43 " " Arr. Modesto	Arr. 8:25 ✓ Lv. 7:37)Schedule No. 3236 " 7:28) " 7:05) ----) " 6:35)

The service as indicated in the foregoing table operates between Merced and Wheel Inn via El Nido over applicant's Route No. 12.13. Applicant desires to continue use of this route only as an "alternate route" <sup>(1)</sup> for occasional through service with full loads, without providing local service thereover.

(1) "Alternate route" as used herein means an "alternate route" as defined in Appendix A of Decision No. 47907, Application No. 31883.

The operation between Wheel Inn, Los Banos, Newman, Patterson and Vernalis Junction is over applicant's Routes Nos. 12.11 and 12.10. Over these routes northbound and southbound main line Schedules Nos. 136 and 137 would continue to operate and provide a local as well as a through service for the West Side communities involved. Schedule No. 136 leaves San Francisco at 5:45 A.M. and No. 137 arrives at San Francisco at 1:25 P. M. These schedules connect with applicant's main line schedules over U. S. Highway 99 at Fresno. (2)

Applicant proposes to abandon its local service and its Route No. 12.14 between Patterson and Turlock. Between Turlock and Modesto applicant will continue to maintain relatively frequent northbound and southbound main line schedules serving those points as well as Merced.

Between Modesto and Vernalis Junction applicant proposes to discontinue the local service involved. However, over this route, (No. 12.09) through express service is operated between San Francisco and Los Angeles via Tracy and U. S. Highway 99. It does not provide local service between Vernalis Junction and Modesto. This situation will be further discussed hereinafter.

Exhibits 2 and 2A indicate the number of passengers served between Merced and Modesto during January 27 to 31, 1956, inclusive, and June 24, 25, 26, 29 and 30, 1956, to have been as follows:

<u>Period</u>	<u>Outbound Passengers</u>	<u>Dly. Avg.</u>	<u>Inbound Passengers</u>	<u>Dly. Avg.</u>	<u>Dly. Round- trip Avg.</u>
Jan. 1956	36	7.2	52	10.4	8.8
June "	67	13.4	81	16.2	14.8

(2) Applicant plans to divert a section of late afternoon southbound San Francisco Schedule (No. 100) from its present Route 12.09 and U. S. Highway 99 through Vernalis Junction, Modesto and Merced to the West Side route through Vernalis Junction, Patterson, Gustine, Los Banos and Wheel Inn. (See Exhibit 4A). This will be discussed more fully hereinafter.

Of the 236 passengers served during those periods, the exhibits indicate that about 100 would continue to have service on the West Side between the points they had travelled. Many of the other passengers would have available a roundabout connecting service via Tracy or Fresno. Further consideration of additional service between West Side points and points on U. S. Highway 99 is given hereinafter.

Applicant's traffic manager testified in regard to the over-all financial results of operations of the schedules proposed to be discontinued. The combined results from the four schedules for the last six months of 1955 and the first six months of 1956 are as follows:

Months	Passen- gers Carried	Revenue		Total	Bus Miles	Revenue Per Bus Mile
		Passengers	Express			
From Exhibit No. 4: 1955						
July	917	\$715.00	\$ 3.00	\$718.00	4,922	\$ .146
August	883	673.00	3.00	676.00	4,708	.144
September	927	657.00	3.00	660.00	4,494	.147
October	969	674.00	3.00	677.00	4,922	.138
November	868	618.00	3.00	621.00	4,494	.138
December	536	408.00	2.00	410.00	4,138	.099
Totals	5,100	\$3,745.00	\$17.00	\$3,762.00	27,678	\$0.136
From Exhibit No. 3A: 1956						
January	512	\$ 379.00	\$ 6.00	\$ 385.00	4,922	\$0.078
February	455	321.00	5.00	326.00	4,280	.076
March	541	390.00	6.00	396.00	4,708	.084
April	498	377.00	6.00	383.00	4,708	.081
May	662	493.00	9.00	502.00	4,494	.112
June	915	643.00	10.00	653.00	4,708	.139
Totals	3,583	\$2,603.00	\$ 42.00	\$2,645.00	27,820	\$0.095

The witness said that the \$17 indicated revenue from express under the 1955 operation is somewhat understated as the exact revenue figures were not available when the calculations were set up. (Tr.20) He expressed the opinion that the rapid decline in traffic and revenue is the result of a material increase in the use of private automobiles as there has been no change in the service applicant operates between the points under consideration.

Exhibit 3 (attached to the application) shows the financial results for the last six months of 1955 of the service involved. The exhibit indicates that applicant operated over 27,600 miles and received total revenues of \$3,762 which averaged \$0.1359 per mile of operation. The total out-of-pocket expenses including the drivers' wages and total depreciation on the vehicle used, but excluding a pro-rated advertising item, amounted to \$7,690.92 or an average of \$0.2778 per mile of operation. This resulted in a total net loss of \$3,928.91 for the period, which amounted to \$0.1419 per bus mile of operation.

A representative of the Dos Palos Chamber of Commerce opposed applicant's plan. He testified that Dos Palos would be deprived of its only direct service to and from Merced, the county seat. He indicated, however, that most shipments of property are now received from Fresno, instead of Merced, and that three daily round-trip schedules are available for this service. He offered nothing with respect to a continued public need for passenger service between Dos Palos and Merced.

An automotive parts dealer at Merced expressed a need for service for the transportation of auto parts from Merced to Los Banos and Dos Palos. The record shows that most of those shipments have been moving between those points via Fresno which service will continue to be available. Many of the shipments are delivered to

the West Side customers of the witness and other dealers by their own salesmen.

A merchant at El Nido objected to applicant's plan but did not show that he had ever made use of the present service. An employee of the El Nido Irrigation District stated she resides at Merced and is employed by said District Mondays through Fridays. Although she has used applicant's service it is not satisfactory because of the schedule arrangement and lack of service on Wednesdays and Thursdays.

Counsel for the City of Patterson and the Chambers of Commerce of Patterson, Newman and Gustine protested applicant's proposal particularly with respect to the plan to discontinue service between the West Side points and the points of Modesto and Merced. Said counsel offered to withdraw this protest provided applicant would establish a passenger service which, in combination with applicant's present through northbound service (Schedule No. 137), would enable West Side residents to go to San Francisco, transact their business and return the same day, all during reasonable hours. As noted in the margin, supra, applicant has offered to divert one section of its southbound Schedule No. 100 to the West Side to meet protestant's offer, and has filed its Application No. 3833<sup>4</sup> requesting a certificate between Wheel Inn and Califa to enable it to route said section of Schedule No. 100 back to its route over U. S. Highway 99 at Califa. <sup>(3)</sup> The other section of Schedule No. 100 as well as other schedules, all of which are express schedules, would continue operations over Route No. 12.09 (as noted above) between Tracy and Modesto via Vernalis Junction thence on their final destinations

(3)

A decision is being rendered in said Application No. 3833<sup>4</sup> concurrently with the decision in this proceeding. Schedule No. 100 leaves San Francisco daily at 6:15 p.m. and this section would arrive at Los Banos at 9:33 p.m.

over U. S. Highway 99: None of these schedules are flagged to serve locally along Route 12.09 from Vernalis Junction to Modesto: The evidence shows and we hereby find that public convenience and necessity would be subserved if appropriate schedules over that route would be so flagged and provision therefor will be set out in the order following.

After full consideration of all the evidence of record herein we find that public convenience and necessity no longer require the operation of Schedules 3247, 3251, 3236 and 3248. Applicant will be authorized to discontinue service thereunder after appropriate public notice and compliance with the terms of the order following.

O R D E R

An application therefor having been filed, a public hearing having been held thereon and based upon the conclusions and findings set forth hereinabove,

IT IS ORDERED:

(1) That Pacific Greyhound Lines is hereby authorized to discontinue passenger stage service between Merced and Modesto and intermediate points via Los Banos, Patterson and Vernalis Junction as conducted pursuant to its operating schedules numbered 3247, 3251, 3236 and 3248 and to cancel published timetables and tariffs covering such operation.

(2) That the authority granted in paragraph (1) hereof shall be accomplished and made effective concurrently with establishing passenger stage service pursuant to the Commission's decision of the date hereof in the matter of Pacific Greyhound Lines' Application No. 38334, but not on less than ten days' notice to the Commission and to the public and posting of such notice for 10 consecutive days next prior thereto in all stations affected and in all equipment

used in conducting the service to be abandoned and furnishing of proof of such posting to the Commission within five days thereof.

(3) That Pacific Greyhound Lines concurrently with the exercise of the authority set forth in ordering paragraph (1) of this order shall inaugurate an adequate on-and-off local passenger service on through schedules operating over its Route No. 12.09 between Tracy and Modesto, such service to be satisfactory to the Commission.

(4) That the operative right between Patterson and Turlock via Route No. 12.14 set forth at Original Page 33 of Appendix A of Decision No. 47907, Application No. 31883 is hereby revoked.

(5) That the certificate of public convenience and necessity authorizing service between Wheel Inn and Merced as set forth and described in Route No. 12.13 appearing at Original Page 33 of Appendix A of Decision No. 47907, Application No. 31883 is hereby amended to read as set forth in First Revised Page 33 attached hereto as Appendix A and made a part hereof.

(6) 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 establish the service herein authorized and file in triplicate, and concurrently make effective appropriate tariffs and timetables satisfactory to the Commission.



(7) That Appendix A of Decision No. 47907, Application No. 31383 is hereby amended by incorporating therein First Revised Page 33.

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

Dated at San Francisco, California, this 5th day of March, 1957.

[Signature]  
President

[Signature]

[Signature]

[Signature]

[Signature]  
Commissioners

12.07 - Between West Freeway Junction (Livermore) and East Freeway Junction (Livermore):

From West Freeway Junction, over U. S. Highway 50 to East Freeway Junction, to be operated as an alternate route.

12.08 - Between Livermore and San Jose:

From Livermore, over unnumbered highway via Pleasanton to Sunol Junction, thence over California Highway 21 to Warm Springs, thence over California Highway 17 to San Jose.

12.09 - Between Tracy and Modesto:

From Tracy, over U. S. Highway 50 to junction California Highway 33 (Westside Junction), thence over California Highway 33 to junction California Highway 132 (Vernalis Junction), thence over California Highway 132 to Modesto.

12.10 - Between Vernalis Junction and Los Banos:

From Vernalis Junction, over California Highway 33 to junction unnumbered highway (Volta Junction), thence over unnumbered highway to junction California Highway 152 (Los Banos).

12.11 - Between Gilroy and Fresno:

From Gilroy, over California Highway 152 to junction California Highway 33 (Wheel Inn), thence over California Highway 33 to junction California Highway 180 (Mendota), thence over California Highway 180 to Fresno.

12.12 - Between Kerman and Kerman Junction:

From Kerman, over unnumbered highway to junction California Highway 180 (Kerman Junction).

\*12.13 - Between Wheel Inn and Merced:

From junction California Highway 152 and California Highway 33 (Wheel Inn), over California Highway 152 to junction unnumbered highway (El Nido Junction), thence over unnumbered highway via El Nido to Merced, to be operated as an alternate route.

\*12.14 - Canceled by decision noted in the margin.

Issued by Public Utilities Commission of the State of California

\*Changed by Decision No. 54012, Application No. 37816  
Correction No. 166.