

ORIGINAL

Decision No. 5725S

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE GREYHOUND CORPORATION)
 for authority to discontinue and cancel) Application No. 40023
 Time Schedule No. 3744, presently operated)
 between Pinole and Port Chicago.)

John D. Maatta, for The Greyhound Corporation,
 applicant.
Claude Greerty, for Martinez Chamber of Commerce
 and City of Martinez, protestants.
Charles W. Overhouse, for the Commission staff.

O P I N I O N

In this proceeding The Greyhound Corporation seeks authority to eliminate and cancel the time schedule designated as Schedule No. 3744, applicable to its operation between Pinole and Port Chicago, Contra Costa County. The effect of the request is to discontinue service in the middle of the afternoon to the above cities and the City of Martinez. The balance of the daily schedules will not be affected.

Public hearing on this matter was held in Martinez on June 27, 1958, at which time evidence was presented and the matter submitted subject to the submission of a late-filed exhibit by the applicant.

Greyhound alleges and offered proof to the effect that said Schedule No. 3744 is being operated at a loss; an out-of-pocket deficit of \$1,559.46 for a period commencing January 20, 1958 and ending May 31, 1958 was shown to exist.^{1/}

1/ Exhibit No. 2

Based on 108 days of operation in 1958 and from figures taken from its driver's waybills, this carrier averages 4.0 daily passengers leaving Pinole, 4.1 arriving in Martinez, 2.6 leaving Martinez, and 2.5 arriving at Port Chicago.^{2/}

If the schedule is cancelled it is claimed that the remaining operations will be reasonably adequate for afternoon service to these three cities. Schedule 574 leaves Pinole at 1:52 p.m. and arrives at Port Chicago at 2:40 p.m.; the next schedule, 572, leaves Pinole at 6:02 p.m. and arrives at Port Chicago at 6:50 p.m.

The protestants claim part of the above revenue loss can be attributed to the fact that 90% of the mileage on these schedules operating through these cities is deadhead mileage from Oakland; as a result, cost per mile statistics are misleading. Moreover a substantial portion of the loss figures on Greyhound's exhibits are predicated upon passenger counts taken after service was temporarily discontinued in January of this year; the interruption of this schedule accounted for the reduction in test-period patronage. The City of Martinez further alleges the population in the area is growing, and that a new bridge and Veterans Administration hospital will be constructed in the near future bringing in persons who will require public transportation.

The frequency of the remaining operations is, in our opinion, adequate for service to these cities; the four round-trip schedules provide sufficient public convenience throughout the day for passengers traveling to and from the afore-mentioned points. We cannot agree that Greyhound is managing this particular schedule improperly, considering the nature of the operations and the

^{2/} Exhibit No. 1

location of bus terminus in this region. This carrier has offered to resume operation of this schedule if the new construction and population trend indicated by the protestants disclose that an actual increase of patronage will be realized.

Although Greyhound's method of pro-rata cost allocation and out-of-pocket expense statistics are not completely persuasive, this carrier did demonstrate that it is losing money on this run far out of proportion to the revenue received. This loss sufficiently outweighs the slight hardship to the communities affected. Although every segment of the applicant's operations cannot be expected to pay, considering the patronage, the revenues and the expense of this particular schedule, its continuance would be unreasonable. The Commission finds and concludes that the applicant's request is not adverse to the public interest and that public convenience and necessity require that the application be granted.

O R D E R

A public hearing having been held in the above-entitled matter, the Commission being fully informed therein, and having found that the application is not adverse to the public interest and that public convenience and necessity so require,

IT IS ORDERED:

(1) That The Greyhound Corporation is hereby authorized to discontinue and cancel its Time Schedule No. 3744 applicable to its operation between Pinole and Port Chicago.

(2) That within sixty days after the effective date hereof, and on not less than five days' notice to the Commission and to the public, The Greyhound Corporation shall file in triplicate amendments to its tariffs and timetables showing the cancellation authorized in paragraph (1).

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

Dated at San Francisco, California, this 26th day of August, 1958.

[Signature]
 President

[Signature]

[Signature]

[Signature]

Commissioners

Commissioner Ray E. Untereiner, being necessarily absent, did not participate in the disposition of this proceeding.