

ORIGINAL

Decision No. 58347

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

Application of C. J. COON, an individual, doing business as BLYTHE-CALEXICO SHORTLINE STAGES, for a certificate of public convenience and necessity to operate as a passenger stage corporation in the transportation of persons and their baggage between Palo Verde Valley points and Calexico.

Application No. 40706

Gordon, Knapp, Gill and Hibbert, by Warren N. Grossman, for applicant.

John D. Maatta, for The Greyhound Corporation,
protestant.

Fred G. Ballenger, for the Commission staff.

OPINION

Applicant, not heretofore certificated as a "passenger stage corporation", seeks authority to establish and operate a bus service between the Cities of Blythe and Calexico.

A public hearing was held in Blythe before Examiner Mark V. Chiesa, and evidence having been adduced, the matter was submitted for decision.

The evidence shows that Blythe is the principal city in the Palo Verde Valley, which is an agricultural area approximately twenty-five miles long and ten miles wide. The principal products grown are hay, cotton, and produce. Farms are irrigated and there are many large and small ones averaging about 200 acres. Mexican nationals are employed on the farms throughout the year and their

number varies from 2,000 to 6,000. On some farms several hundred are employed at one time. Most of the farm labor comes from Mexico through Mexicali and Calexico. There are numerous labor camps situated throughout the valley where said laborers live. On week ends many of them are not employed and can obtain week-end leaves; and the evidence shows that some desire, for various reasons, to travel to Mexicali, situated at the border and contiguous to Calexico.

In order to provide a direct transportation service for said laborers, applicant is proposing to operate one round trip each week end, leaving Blythe and the surrounding labor camps early Saturday morning and returning Sunday afternoon or evening. It is proposed to use two A.C.F. Brill 37-passenger buses. The route will be along the main highways and roads running southwesterly from Blythe through the valley and thence to Glamis; thence easterly to State Highway No. 111 and southerly to Calexico. The proposed fare, not including Federal tax, is \$4.50 one way and \$8.00 round trip. "On-call" service will also be available for a minimum of twenty round-trip fares.

Applicant is a successful farmer and cotton gin operator in the valley. He will employ two experienced and qualified drivers, provide for adequate insurance, and parking and loading facilities. His financial condition as of March 21, 1959, shows total assets of \$151,453.24, and total liabilities of \$46,060.72, or a net worth of \$105,392.52. Seven witnesses were called and testified in support of the application. Five were farm owners and operators who regularly employ many laborers and are informed as to the need of a transportation service as herein proposed.

The application was opposed by The Greyhound Corporation on the grounds that it is now serving between Blythe and Calexico (via Indio) and that there therefore is no need for applicant's proposed service. Protestant also contended that applicant's service could not be operated on a fixed schedule, due to the scattered location of the various labor camps, and that the route proposed to be traversed is partially unimproved. The evidence shows the service is proposed particularly for farm laborers who wish to go directly to Calexico and Mexicali; that they can be picked up at the various camps within a reasonably definite starting time; that the roads proposed to be traversed are passable for bus travel, with only 29 miles of the 107-mile route being unimproved, and that the unimproved portion of the route is maintained by the county and is passable.

Protestant operates five southbound and six northbound schedules daily between Blythe and Calexico, two of which could be considered for comparison with applicant's proposed service. All of protestant's schedules require a transfer at Indio. Comparative times are as follows:

<u>Applicant</u>		<u>Protestant</u>	
Saturday-Southbound			
Lv. Blythe & camps approx.	5:00 a.m.	6:45 a.m.	also 2:40 a.m.
Arr. Calexico	8:40 a.m.	3:05 p.m.	7:53 a.m.
Sunday-Northbound			
Lv. Calexico	4:00 p.m.	4:50 p.m.	12:01 p.m.
Arr. camps & Blythe approx.	7:50 p.m.	11:17 p.m.	5:48 p.m.

It is apparent that protestant's schedules are less attractive, both as to time in transit and times of departure and arrival. Camp patrons would also be required to find means of travel to and

from protestant's depot in Blythe, distances varying from one-half to sixteen miles. Protestant's present ticket sales between Blythe and Calexico (figured on the equivalent of one-way fares) total 1,378 fares for two summer months and three winter months. On the basis of eleven daily schedules for 154 days, the average is less than one passenger per trip (Exhibits Nos. 4 and 5).

Although it was not shown that any demand for such service exists other than for the convenience of said Mexican nationals, the Commission is of the opinion and finds that it would not be in the public interest to restrict the service only for them.

The Commission has carefully considered the matter and is of the opinion and finds the facts to be as hereinabove set forth and that public convenience and necessity require that a passenger stage service as hereinafter set forth be established. The application will be granted.

C. J. Coon is hereby placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

A public hearing having been held, the Commission being fully advised in the premises and having found that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to C. J. Coon, an individual, doing business as Blythe-Calexico Shortline Stages, authorizing the establishment and operation of a service as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, for the transportation of persons between the points and places, and along the routes as more specifically described in Appendix A attached hereto and made a part hereof.

(2) That in providing service pursuant to the certificate herein granted there shall be compliance with the following service regulations:

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that he will be required, among other things, to file annual reports of his operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 98. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 98, may result in a cancellation of the operating authority granted by this decision.
- (b) Within sixty days after the effective date hereof, and on not less than five days' notice to the Commission and the public,

applicant shall establish the service herein authorized and file in triplicate and concurrently make effective, tariffs and time-tables satisfactory to the Commission.

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

Dated at San Francisco, California,
this 5th day of May, 1959.

E. L. Fox
President
E. C. McKeage
W. H. Barker
Theodore Jenner
Commissioners

Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.

Appendix A

C. J. Coon
doing business as
Blythe-Calexico Shortline Stages

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C. J. Coon, by certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport persons between Blythe and Calexico and intermediate points, subject to the following conditions:

- (a) Applicant shall not transport any passenger having both origin and destination west of the Coachella Branch of the All American Canal.
- (b) Applicant shall serve all the principal labor camps in the Palo Verde Valley where Mexican Nationals are quartered, upon one day's notice in advance that transportation service between Blythe and Calexico will be required for a Saturday southbound and a Sunday northbound passage.
- (c) Applicant shall also provide an "on-call" service between Blythe and Calexico for a minimum of twenty round-trip passengers.
- (d) Subject to the authority of this Commission to change or modify said passenger stage operation at any time, applicant shall conduct said operation over and along the following route or routes:

Beginning at Blythe, California, thence along the most direct and convenient streets, highways, and roads within the Palo Verde Valley, thence southerly from the said valley along State or County road to Glamis, thence westerly to the junction with State Highway No. 111, thence along said highway to Calexico. Returning via the reverse of said route.

Issued by California Public Utilities Commission.

Decision No. 58347, Application No. 40706.