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ORIGINAL

Decision No. \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:  
VALLEY TRANSIT LINES, a California  
corporation, for authority to suspend  
all of its regular passenger stage  
service for a period of one year,  
pursuant to Section 1070 of the  
Public Utilities Code.

Application No. 41219  
As Amended.

R. Y. Schureman, for applicant.  
Gareth W. Sadler, for the City of Duarte,  
protestant.  
Fred G. Ballenger, for the Commission staff.

O P I N I O N

By this application filed June 10, 1959, Valley Transit Lines requests authority to suspend for one year all of its regular route passenger service. Applicant also holds operative authority to carry on business as a passenger stage corporation for the limited purpose of transporting passengers to the race tracks during their respective seasons. This carrier wishes to continue to carry on the seasonal operation which, as well as its charter service, has proved remunerative.

Public hearing was held in El Monte on June 23, 1959, before Examiner Rowe at which time evidence both oral and documentary was adduced and the matter duly submitted for decision. The Commission gave written notice to all interested parties, including public bodies. Applicant submitted evidence that it had published and posted notice of the hearing and of the proposed suspension,

as required by the Commission. Also, according to the testimony of applicant's president, general manager and sole stockholder, during the last eleven years the operation has resulted in a regular financial loss aggregating in excess of \$38,511. It was during 1955, the only profitable year of the eleven, that a net profit was realized amounting to \$370. Actually the operating loss on applicant's passenger stage operation was much greater than indicated because the figures given by applicant include profits from its charter operations as well as from school bus operations carried on under contracts with various school districts.

The showing of protestants was directed to the fact that a real hardship will be imposed upon the City of Hope, a charitable organization. A number of the patients and their visitors are without means of public or privately owned transportation facilities. The revenue from the operation of the portion of the service to and from the City of Hope hospital facility, however, is the least remunerative of any of the lines of this applicant. Valley Transit Lines, from the evidence of record, is found to have reached the point where it cannot continue to operate and pay the wages of the drivers and pay other expenses. However, by discontinuing the unremunerative portion of the operation applicant will be in a position where it can profitably operate its remaining services.

Applicant's showing of financial loss covers such a long period of time and is so devoid of any indication that the future holds any hope for improved conditions that the Commission would not be justified in granting the request to suspend operations for one year. The evidence is found to justify abandonment rather than a limited suspension. At the conclusion of the hearing applicant

requested that its application be amended to include a request for abandonment, and also that the Commission authorize the abandonment by interim decision and order and that thereafter its remaining operative rights be rewritten to include a loose-leaf form of statement of operative rights. The examiner allowed the amendment to be made as requested and the Commission will grant the application as amended. Applicant's residual operative rights will be restated by supplemental order.

O R D E R

Public hearing having been held, and based upon the findings contained in the above opinion and upon the further finding that there is no longer a substantial public need for the portion of the service sought to be abandoned,

IT IS ORDERED:

(1) That, within sixty days after the effective date hereof, Valley Transit Lines is authorized to abandon all of its passenger stage service except that portion of such service which consists of carrying passengers to and from Los Alamitos, Hollywood Park and Santa Anita Race Tracks.

(2) That applicant shall post an appropriate notice of abandonment of operations, as herein authorized, on all its equipment for a minimum of two days commencing prior to such abandonment.

(3) That, within sixty days after the effective date hereof, on not less than two days' notice to the Commission and the public,

applicant shall file and make effective concurrently with the effective date of the abandonment herein authorized, tariffs and time schedules satisfactory to the Commission to reflect the authority herein granted.

The effective date of this decision shall be one day after the date hereof.

Dated at San Francisco, California, this 14th day of July, 1959.

Ernest A. Bay  
President  
W. E. Mitchell  
W. M. K. K. K.  
E. J. Fox  
Theodore J. J. J.  
Commissioners