

ORIGINAL

Decision No. 60702

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of

KEY SYSTEM TRANSIT LINES and BAY AREA PUBLIC SERVICE CORPORATION for permission under Section 851 of the Public Utilities Code to sell their assets and of KEY SYSTEM TRANSIT LINES to be relieved of its obligation to operate under certain Certificates of Public Convenience and Necessity.

Application No. 42560

Donahue, Richards & Gallagher, by George E. Thomas, for Key System Transit Lines and Bay Area Public Service Corporation; Robert E. Nisbet for Alameda-Contra Costa Transit District; John A. Ferguson, a shareholder of Railway Equipment & Realty Company, Ltd., interested party; William R. Roche and Timothy J. Canty, for the staff of the Commission.

O P I N I O N

This application was filed on August 12, 1960, for an order of the Commission authorizing Key System Transit Lines and Bay Area Public Service Corporation to sell their assets to Alameda-Contra Costa Transit District in accordance with the terms and provisions of a purchase agreement attached to the application as Exhibit 1. The assets include a system used for the transportation of passengers by passenger stages in the various communities in the East Bay area in the County of Alameda and in the County of Contra Costa and between said counties and the City and County of San Francisco.

Alameda-Contra Costa Transit District is a body corporate and politic and was formed and was duly constituted under the provisions of the Transit District Law of the State of California. The record shows, among other things, that the agreed base price to be paid for the transportation system is the sum of \$7,500,000; that the district will succeed to and will continue and will improve the service now provided by the Key System Transit Lines; and that the district will employ all the employees of the present operator, except certain of the officers.

A public hearing on the application was held before Commissioner Dooley and Examiner Coleman in San Francisco on September 1, 1960, at which time the matter was taken under submission. A written request was filed by Charles B. Co. for a denial of the application on the alleged grounds that the district is without financial responsibility and that the price is excessive. However, neither Mr. Collins nor any other protestant appeared at the hearing and offered any evidence.

We have considered the request now before us and we find and conclude that the transfer will not be adverse to the public interest, and that public convenience and necessity, upon the date of the transfer of the assets from Key System Transit Lines and Bay Area Public Service Corporation to Alameda-Contra Costa Transit District, will no longer require the Key System Transit Lines and Bay Area Public Service Corporation to operate as a public utility. An order will be entered in accordance with these findings.

O R D E R

A public hearing having been held in the above-entitled matter and the Commission being fully advised in the premises,

IT IS HEREBY ORDERED:

1. That on or before December 31, 1960, Key System Transit Lines and Bay Area Public Service Corporation may sell and transfer, and Alameda-Contra Costa Transit District may purchase and acquire the assets of Key System Transit Lines and Bay Area Public Service Corporation as proposed in the above-entitled application and in the Purchase Agreement entered as Exhibit 1 and attached to the application.
2. That within 30 days after the consummation of the transfer to Alameda-Contra Costa Transit District, Key System Transit Lines and Bay Area Public Service Corporation shall notify the Commission in writing of that fact, and file with this Commission a certified copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.
3. That effective concurrently with the consummation of the transfer of the assets of Key System Transit Lines and Bay Area Public Service Corporation, provided said transfer is consummated on or before December 31, 1960, and without further order of this Commission (a) any and all certificates of public convenience and necessity granted to or acquired by Key System Transit Lines authorizing operation as a passenger stage corporation are hereby canceled, and (b) Key System Transit Lines and

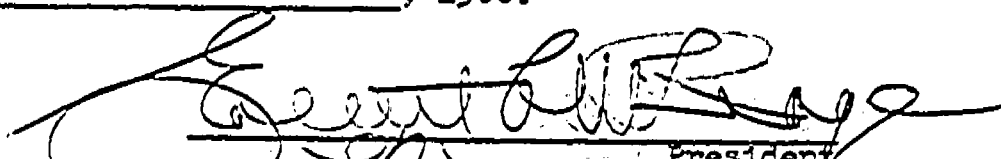
Bay Area Public Service Corporation shall thereupon stand relieved of all obligations as a public utility.


4. That Key System Transit Lines, on not less than five days' notice to the Commission and to the public, shall cancel its time schedules and its tariffs setting forth rates, rules and regulations on file with this Commission and pertaining to the operative rights herein canceled.


5. That the request of Charles B. Collins hereby is denied.


6. That this order is effective on the date hereof.

Dated at San Francisco, California,
this 6th day of SEPTEMBER, 1960.



President






Commissioners

Commissioner Theodore H. Jenner, being necessarily absent, did not participate in the disposition of this proceeding.