

ORIGINALDecision No. 61959

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the
FREDDIE ALLEN BUS LINE, INC., for a
certificate of public convenience and
necessity to operate a passenger stage
service including incidental baggage
and express between points in the City
of El Cajon and San Ysidro Port of
Entry (in the City of San Diego via
Highland Park Shopping Village).

Application No. 42310

In the Matter of the Application of
FREDDIE ALLEN BUS LINE, INC., a Cali-
fornia corporation, for a permit to
issue and sell its shares.

Application No. 42409

W. Earl Smart, for the applicant.
Lindley, Scales & Patton, by Leon W. Scales,
for San Diego Transit System.
John D. Maatta, for the Greyhound Corporation,
Western Greyhound Lines Division, and
Fred A. Ross, for the City of Chula Vista,
protestants.
Frederick B. Holoboff, for the City of San Diego,
interested party.
Richard R. Entwistle and Fred G. Ballenger,
for the Commission staff.

O P I N I O N

By Application No. 42310, filed on May 31, 1960, as amended on September 7, 1960, and December 15, 1960, Freddie Allen Bus Line, Inc., requests a certificate authorizing it to transport passengers as a passenger stage corporation between El Cajon on the north and San Ysidro on the south, via a route through Fletcher Hills, La Mesa, Lemon Grove, Spring Valley, Highland Park, Chula Vista, and Otay, to the Port of Entry at San Ysidro, all of said route being in San Diego County.

By Application No. 42409, filed with this Commission on June 27, 1960, Freddie Allen Bus Line, Inc., seeks authority to issue and sell not to exceed 62 shares of its common stock of a par value of \$100 per share for the purpose of acquiring buses and for working cash capital.

Public hearings on the applications were held before Examiner Kent C. Rogers in San Diego on September 13 and 14, 1960, January 11 and March 30, 1961, and the matters were thereupon submitted.

Evidence in opposition to the application was presented by the San Diego Transit System and by the Greyhound Corporation.

In support of the application applicant presented evidence by a representative of the El Cajon Chamber of Commerce and a representative of the La Mesa Chamber of Commerce and by two realtors associated with Art Leitch Realtor who has an office on Lake Murray Boulevard in the City of La Mesa. These parties testified that there is a need for some passenger service between La Mesa and El Cajon along Fletcher Parkway. There was no evidence to show any need for service south of La Mesa and no public witnesses were called in support of any such service.

A representative of the City of Chula Vista appeared as a protestant opposing the proposed route through that city.

Applicant's proposed route includes service to Brown Field, a Navy supply depot which is located north and east of Chula Vista. The Commander of this field testified that this camp is being deactivated on or about June 30, 1961, and that Navy personnel on the base have adequate free transportation supplied by the Navy.

The only additional evidence in support of the applications was evidence by applicant's president. He testified that he

had traveled the entire proposed route from El Cajon to San Ysidro and had checked all habitations and residences within one-quarter mile on each side of the route. Included in the described service area were a trailer court containing 314 spaces, one rest home containing 50 people, and the aforementioned Brown Field containing 950 service men and 103 employees (Exhibit No. 1). By counting the homes and residences and using the figure of three persons per home, plus said rest home, trailer court, and Brown Field, he arrived at the conclusion that there would be 52,685 people within the proposed service area. The applicant did not circularize or contact these people relative to the use of the proposed service. The witness arrived at the conclusion that one percent of the 52,685 people would use the proposed services. Upon that assumption he prepared Exhibit No. 9 herein, an estimate of operating results. He assumed that each day this one percent would each spend an average of 30 cents for fares on the applicant's buses, and in a three-month period, which would contain 77 service days, excluding Sundays and nonoperating holidays, applicant would have a gross revenue of \$12,170.24.

The applicant, in performing the proposed service, intends to use two buses, one a 32-passenger GMC Diesel and the other a 10-passenger Volkswagen Microbus. Using these two buses applicant estimated that its expenses, including taxes, for the three-month period, would amount to \$9,774.09, giving it a net return after taxes of \$2,396.15.

Applicant's proposed fares are a maximum one-way adult fare of \$1.09, and a minimum adult fare of 25 cents, with seven-cent

zone increments. It will have seven schedules each direction daily, excluding Sundays and holidays.

In the area between El Cajon and La Mesa, along the proposed route, it is possible that one percent of the people on each side of the proposed route might use applicant's services. This area is, however, served by the San Diego Transit System, and we have this day authorized that company, as the existing carrier serving the area, to extend service via Fletcher Parkway (Decision No. 61960, dated *May 9, 1961*, on Application No. 42962).

No public witnesses were called to show a need for service along any of the balance of the proposed route. The City of Chula Vista objects to applicant's proposed routes therein, and both the Greyhound Corporation and the San Diego Transit System provide service through that city (Exhibit No. 5). Applicant proposed service to and from Brown Field east of San Ysidro, and assumed there would be 105 thirty-cent-a-ride passengers a day to and from this field but as previously noted this field is being deactivated and the Navy supplies free transportation for Navy personnel.

It seems improbable that applicant will secure any substantial portion of the passengers it estimates it will carry. It had no public support except for a portion of the proposed route between El Cajon and La Mesa.

It estimates an average of 30 passengers each way each trip. Each alternate bus will carry 10 passengers at one time only. Applicant's witness stated that if at any time applicant's bus could not carry all the passengers desiring a ride it would secure additional transportation. However, applicant's request is based on the assumption that the 10-passenger bus must carry 60 passengers on each round trip, or that the passengers on the heavy loads will all conveniently, daily, desire transportation on those trips when the 32-passenger bus is available.

The applicant's president possesses experience as a bus driver but none in the operation and management of a bus line except from the driver's standpoint. In our opinion, based on informed judgment and prior experience, the proposed method of operation is not feasible and will not provide a service which will meet public convenience and necessity.

For the reasons set out above, the application for a certificate and the applicant's request for authority to issue stock will be denied.

O R D E R

Applications as above described having been filed, the Commission having found that said applications should be denied,

IT IS ORDERED that Application No. 42310 and Application No. 42409 be, and they are denied.

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

Dated at San Francisco, California, this 9th day of May, 1961.

[Signature]
President
[Signature]
[Signature]
George E. Hoover
Fredrick B. Holm
Commissioners