

Decision No. 64115**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SOUTHERN PACIFIC COMPANY
for authority to discontinue substitute
bus service between Dunsmuir and Hilt,
California.

Application No. 44125

Application of THE GREYHOUND CORPORATION
for revocation of authority to render
transportation service between Yreka and
Grenada Junction via Montague, and to
serve Southern Pacific rail stations at
Hornbrook and Hilt, Siskiyou County.

Application No. 44134

Charles W. Burkett, Jr., and Frederick E. Fuhrman,
applicant in A. 44125 and interested party in
A. 44134.

William T. Meinhold, for The Greyhound Corporation,
applicant in A. 44134 and interested party in
A. 44125.

Edward P. Thurban, for the Commission staff.

O P I N I O N

Southern Pacific Company requests authority to discontinue a substitute bus service, presently being performed by The Greyhound Corporation, between Dunsmuir and Hilt. In the event the authority sought by Southern Pacific is granted, The Greyhound Corporation requests that its operating authority between Yreka and Grenada Junction via Montague and its authority to serve Southern Pacific rail stations at Hornbrook and Hilt be revoked.

A public hearing was held before Examiner Thomas E. Daly on June 13, 1962, at Yreka.

By Decision No. 46494 dated December 4, 1951, in Application No. 32545, Southern Pacific Company was authorized to discontinue the operation of its passenger trains Nos. 327 and 328 between Black Butte, California, and the California-Oregon State Line near Hilt, California, subject to the following condition:

"(2) Abandonment of rail service as herein authorized shall be made concurrently with the establishment of substitute motor coach service to points along U. S. Highway No. 99, with the exception of a detour from Grenada via Montague to Yreka, and also providing direct service to Hornbrook and Hilt railroad stations."

Pursuant to the requirements of Decision No. 46494, Southern Pacific Company entered into an agreement with The Greyhound Corporation to provide, as a substitute for trains Nos. 327 and 328, bus service connecting with the "Shasta Daylights" at Dunsmuir and serving the same points as the two trains.

By Decision No. 46720, dated February 5, 1952, The Greyhound Corporation was authorized to operate a passenger stage service between Grenada Junction and Yreka and intermediate points, over an unnumbered county road via Grenada and Montague, and serving Southern Pacific rail stations at Hornbrook and Hilt by diversion from U. S. Highway 99.

By its application Southern Pacific Company requests that Decision No. 46494 be revised by deleting therefrom condition (2), because the demand for the substitute bus service is not sufficient to justify its continuance.

Under the agreement with The Greyhound Corporation, Southern Pacific Company must pay a compensation in the minimum sum of fifty cents per bus mile for each bus mile operated, with a minimum of \$120 per day on the basis of two motor coaches being assigned to the operation. According to Exhibit 2 the following is a statement of income, expense and bus miles operated with respect to the substitute bus service for the years 1952 through 1961, inclusive:

<u>Year</u>	<u>Months</u>	<u>Miles</u>	<u>Revenue</u>	<u>Expense</u>	<u>Net Loss</u>
1952	10	66,049	\$ 7,826	\$ 34,229	\$ 26,403
1953	12	103,806	11,234	59,362	48,128
1954	12	103,514	10,370	64,537	54,167
1955	12	102,761	8,811	63,415	54,604
1956	12	103,516	8,124	66,340	58,216
1957	12	103,660	7,551	61,227	53,676
1958	12	102,666	7,067	58,919	51,852
1959	12	86,573	6,731	49,467	42,736
1960	12	69,680	5,034	39,702	34,668
1961	12	66,740	4,967	37,985	33,018
Total	118	908,965	\$77,715	\$535,183	\$457,468
Average per Month		7,703	\$ 659	\$ 4,535	\$ 3,877

The reduction in loss since 1959 is the result of the "Shasta Daylight" being operated on a tri-weekly basis from September to June of each year, except for a month at Christmas time when daily service is provided.

The total number of passengers handled by The Greyhound Corporation pursuant to the agreement between Grants Pass, Oregon,

and Dunsmuir, California, and intermediate stations for the year 1961 is as follows:

	<u>Total Passengers</u>	<u>Number of One-Way Trips Operated</u>	<u>Average Per Day</u>
January	161	41	3.9
February	84	25	3.4
March	147	27	5.4
April	154	26	5.9
May	100	29	3.4
June	259	60	4.3
July	364	62	5.9
August	364	62	5.9
September	209	41	5.1
October	126	26	4.8
November	109	26	4.2
December	<u>206</u>	<u>45</u>	<u>4.6</u>
Total	2,283	470	4.9

Exhibit No. 3 indicates the number of passengers transported by The Greyhound Corporation in substitute bus service to and from the following points for the year 1961:

<u>Montague</u>		<u>Hornbrook</u>		<u>Hilt</u>	
<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>
58	118	24	17	15	14

In the event the substitute bus service is discontinued, The Greyhound Corporation would provide its regular bus service along U. S. Highway 99 with stops at Hilt Junction (located one mile from Hilt); Henley Station (located approximately one mile from Hornbrook); Yreka (located approximately six miles from Montague); and Grenada Junction (located approximately 3/4 of a mile from Grenada). At the present time The Greyhound Corporation operates 12 schedules daily between Dunsmuir and Grants Pass.

Although both applicants published and posted notice of the hearing in this matter no appearance was made in protest to the authority sought.

After consideration the Commission finds and concludes that there is not sufficient public use of the substitute bus service to warrant its continuance and that granting the relief sought by the applicants herein would not be adverse to the public interest.

O R D E R

Application having been filed and the Commission being informed in the premises,

IT IS ORDERED that:

1. After the effective date hereof Southern Pacific Company is hereby authorized to discontinue substitute bus service between Dunsmuir and Hilt and Decision No. 46494 is hereby amended by deleting therefrom condition (2) as heretofore quoted.

2. Concurrent with the discontinuance of service authorized in ordering paragraph 1 hereof The Greyhound Corporation is hereby authorized to discontinue service over Route No. 1.03 between Yreka and Grenada Junction via Montague, and is further authorized to discontinue service over Route No. 1.01 insofar as it is authorized to deviate from said route to serve Southern Pacific rail stations at Hornbrook and Hilt. The authority to provide said service is hereby revoked.

3. Appendix A of Decision No. 55893 is hereby amended by incorporating Second Revised Page 2, attached hereto, in place of First Revised Page 2.

4. For a period of not less than fourteen days prior to the discontinuance of service as authorized by ordering paragraphs 1 and 2 hereof Southern Pacific Company and The Greyhound Corporation

shall post proper notice in the appropriate terminals, depots and equipment.

5. After the effective date hereof and on not less than thirty days' notice to the Commission and the public applicants shall amend their tariffs and timetables presently on file with this Commission to reflect the authority herein granted.

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

Dated at San Francisco, California, this 14th day of AUGUST, 1962.

George G. Hoover
President
John E. Mitchell
Fredrick B. Hallock

Commissioners

C. Lyn Fox

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

YPO

Appendix A

THE GREYHOUND CORPORATION

Second Revised Page 2
Cancels
First Revised Page 2

SECTION I - INTERCITY ROUTES AND SPECIAL CONDITIONS

ROUTE GROUP 1

- *1.01 - Between the Oregon-California State Line north of Yreka, and South Woodland Junction:

From the point where U. S. Highway 99 intersects the Oregon-California State Line, over U. S. Highway 99 to Red Bluff, thence over U. S. Highway 99W to junction U. S. Highway 40 (South Woodland Junction).

- 1.02 - Between the Oregon-California State Line north of Dorris, and Weed:

From the point where U. S. Highway 97 intersects the Oregon-California State Line, over U. S. Highway 97 to junction U. S. Highway 99 (Weed).

- *1.03 - Intentionally left blank.

- 1.04 - Between junction U. S. Highway 99W and California Highway 21 southeast of Dunnigan, and junction California Highway 21 and U. S. Highway 40 northeast of Vacaville:

From junction U. S. Highway 99W and California Highway 21, over California Highway 21 to junction U. S. Highway 40.

No service may be rendered to or from intermediate points on this route other than East Winters.

Issued by California Public Utilities Commission.

*Revised by Decision No. 64115, Application No. 44134.