

ORIGINAL

Decision No. 65274

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 AMERICAN BUSLINES, INC., a corpora-)
 tion, (1) for authority to abandon)
 passenger stage service between)
 Pittsburg and Sacramento, pursuant)
 to Sections 1031-1036 of the Public)
 Utilities Code; (2) for an in lieu)
 certificate of public convenience)
 and necessity authorizing all other)
 passenger stage service, pursuant to)
 Sections 1031-1036 of the Public)
 Utilities Code.)

Application No. 45061

Russell & Schureman, by R. Y. Schureman, for applicant.
Oliver Wilson, for Rio Vista Chamber of Commerce,
 protestant.
Hilton H. Nichols, for the Commission staff.

O P I N I O N

American Buslines, Inc., requests: (a) authority to discontinue passenger stage service between Pittsburg and Sacramento and (b) a restatement of its certificated authority.

A public hearing was held before Examiner Daly at Rio Vista on March 8, 1963, and the matter was submitted.

Through the use of one bus applicant presently operates two round trip schedules between Pittsburg and Sacramento, a distance of 65 miles. Said schedules leave Pittsburg at 7:45 a.m. and 12:20 p.m. and Sacramento at 10:00 a.m. and 5:00 p.m. Service to San Francisco is afforded by connections with The Greyhound Corporation at Pittsburg.

Prior to January 1962, applicant provided service between San Francisco and Sacramento via the "River Route" over State

Highway 24. By Decision No. 62998, dated January 2, 1962, in Application No. 43509 the Commission denied applicant's request to either suspend service between San Francisco and Sacramento for two years or completely discontinue service via the "River Route" and instead authorized applicant to discontinue service between San Francisco and Pittsburg only.

Since the hearing of Application No. 43509, applicant contends that its patronage between Pittsburg and Sacramento via Highway 24 has continued to decrease, making it essential that service be discontinued between said points. According to Exhibit C attached to the application as amended, applicant lost approximately \$18,645.47 for the ten months ending December 31, 1962, on its Sacramento-Pittsburg operation, but according to Exhibit A realized a net profit of \$750,904 from its entire operation for the 11 months ending November 30, 1962. Also attached to the application as amended is Exhibit F which indicates the following number of passengers handled between said points for the months indicated.

| <u>Month</u> | <u>Total Passengers</u> | <u>Average Per Day</u> |
|----------------|-----------------------------|----------------------------|
| August 1962 | 1,975 | 63.7 |
| September 1962 | 1,491 | 49.7 |
| October 1962 | 1,341 | 43.3 |
| November 1962 | 1,216 | 40.5 |
| | <u>6,023</u> | <u>49.4</u> |

An analysis of the company off-and-on check for the months considered discloses that the average number of passengers carried per day was 49 and the average fare was \$0.90, resulting in an estimated daily passenger revenue of \$44 or \$0.17 per bus mile.

The staff conducted riding checks of the service on Saturday, February 16, 1963, and on Tuesday and Wednesday, .

February 19 and 20, 1963. The following is a summary of passengers carried and revenue received.

| <u>Date</u> | <u>Total Passengers</u> | <u>Passenger Revenue</u> | <u>Revenue Per Mile</u> |
|-------------|-----------------------------|------------------------------|-----------------------------|
| 2/16/63 | 22 | \$17.64 | \$0.068 |
| 2/19/63 | 36 | 27.31 | 0.106 |
| 2/20/63 | 37 | 33.64 | 0.130 |
| | <u>95</u> | <u>\$78.59</u> | <u>\$0.101</u> |

It was the opinion of the staff witness that applicant is experiencing a minimum out-of-pocket expense of \$74 per day and based upon the estimated daily revenue of \$44 is therefore incurring an out-of-pocket loss of approximately \$30 a day. The witness pointed out that applicant and affiliated Continental Trailways companies conduct intrastate operations in California at a combined over-all loss and that applicant's out-of-pocket loss on the "River Route" is relatively small by comparison. He was also of the opinion that although no change in route or adjustment in schedules would result in a profitable operation, operating losses could be reduced if one round trip schedule was eliminated. According to the witness, the operation of only two schedules daily, No. 302 (leaving Pittsburg at 7:45 a.m.) and No. 309 (leaving Sacramento at 5:00 p.m.), would reduce the monthly operating loss to \$540 if said schedules were operated on the present daily basis, and to \$360 if operated only five days a week.

According to applicant's regional manager, the intrastate operations of the Continental Trailways affiliated companies, including those of applicant other than the "River Route", are necessary and supplemental to the system's interstate operations even though operated at a loss. However, he testified the losses suffered on the "River Route" cannot be justified on the same ground

because the route is local in nature and contributes nothing to the interstate operations. The witness further testified that a smaller carrier might be able to conduct a profitable operation over the "River Route" and if such a carrier were willing to do so, applicant would cooperate in making terminal facilities available in Sacramento. Applicant's attorney stated that even if the authority herein requested were granted, applicant would be willing to continue service on a reduced basis until October 1, 1963, so as to provide service during the summer months and also to provide enough time for another carrier to apply for authority to operate between the points and over the route herein considered.

Several individuals, one representing the Rio Vista Chamber of Commerce, testified in protest to the discontinuance of service.

After consideration the Commission finds that:

1. If the authority sought were granted there would be no public means of transportation between Pittsburg and Sacramento over State Highway 24, and some service is required.
2. Applicant is operating at a loss between Pittsburg and Sacramento.
3. Applicant can reduce its loss between said points by eliminating Schedules Nos. 301 and 310 and by reducing the remaining service to 5 days weekly.
4. Public convenience and necessity require that applicant's operating authority be restated as hereinafter set forth.

O R D E R

IT IS ORDERED that:

1. The request of American Buslines, Inc., to discontinue service between Pittsburg and Sacramento and intermediate points over State Highway 24 is hereby denied.

2. After the effective date hereof and in conformity with the service regulations hereinafter set forth, applicant may eliminate Schedules Nos. 301 and 310 between Pittsburg and Sacramento and may reduce the remaining service between said points to Monday-through-Friday service, excluding holiday service.

3. A certificate of public convenience and necessity is hereby granted to American Buslines, Inc., authorizing it to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes more particularly set forth in Appendix A attached hereto and made a part hereof.

4. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe 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 it will be required, among other things, to file annual reports of its operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 98 and insurance requirements of the Commission's General Order No. 101-A. 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

Orders Nos. 98 and 101-A, may result in a cancellation of the operating authority granted by this decision.

- (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file in the Commission's office in triplicate tariffs and timetables satisfactory to the Commission.
- (c) The tariff and timetable filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.
- (d) The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98.

5. The certificate of public convenience and necessity granted in paragraph 3 of this order supersedes the certificates of public convenience and necessity granted and acquired by the following:

| <u>Decision No.</u> | <u>Application No.</u> |
|---------------------|------------------------|
| 44494 | 30584 |
| 51215 | 36670 |
| 62288 | 43258 |

which certificates are hereby revoked, said revocation to become

effective concurrently with the effective date of the tariff filings required by paragraph 4(b) hereof.

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

Dated at San Francisco, California, this 23rd day of April, 1963.

George T. Grover
President
W. E. Mitchell
Robert W. ...
Frederick B. Holoboff
William W. Burnett
Commissioners

American Buslines, Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport passengers, their baggage and shipments of express (including newspapers) weighing one hundred pounds or less, on passenger carrying vehicles, between all points and places as hereinafter stated and subject to the conditions, rights and restrictions applicable thereto.

When route descriptions are given in one direction, they apply to operation in either direction or in one direction, unless otherwise indicated.

Subject to the authority of this Commission to change or modify such at any time, American Buslines, Inc., shall conduct said passenger stage operations between the following points and over and along the following described routes:

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ROUTE GROUP 1

1.01 - Between Sacramento and California-Nevada State Line via Floriston:

From Sacramento over city streets to U.S. Highway 40 (Interstate Highway 80), thence over U.S. Highway 40 (Interstate Highway 80) to the California-Nevada State Line.

1.02 - Between Pittsburg and Sacramento:

From Pittsburg over city streets to California State Highway 24, thence on California State Highway 24 to Sacramento.

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ROUTE GROUP 2

2.01 - Between Los Angeles and San Diego:

From Los Angeles over city streets to Santa Fe Avenue, thence over Santa Fe Avenue, Slauson Avenue, Pacific Boulevard and Long Beach Boulevard to Long Beach, thence over city streets in Long Beach to U.S. Highway 101 Alternate, thence over U.S. Highway 101 Alternate to its junction with U.S. Highway 101 (Interstate Highway 5) near Doheny Park, thence over U.S. Highway 101 (Interstate Highway 5) to San Diego.

2.02 - Between Los Angeles and junction U.S. Highway 101 Alternate (near Doheny Park):

From Los Angeles over city streets to U.S. Highway 101 (Interstate Highway 5), thence over U.S. Highway 101 (Interstate Highway 5) to its junction with U.S. Highway 101 Alternate, to be operated as an alternate route.

2.03 - Between Buena Park and junction California State Highway 39 and U.S. Highway 101 Alternate:

From Buena Park, thence over California State Highway 39 to its junction with U.S. Highway 101 Alternate, to be operated as an alternate route.

2.04 - Between Del Mar and Del Mar Race Track and Fair Grounds:

From junction U.S. Highway 101 (Interstate Highway 5) and Grand Avenue in Del Mar, thence over Grand Avenue to the Santa Fe spur track, thence over County Road to the entrance of the race track and fair grounds, thence over County Road to San Dieguito Road, thence over San Dieguito Road to junction U.S. Highway 101 (Interstate Highway 5).

2.05 - Between north junction U.S. Highway 101 (Interstate Highway 5) and Torrey Pines Road and south junction U.S. Highway 101 (Interstate Highway 5) and Torrey Pines Road:

From north junction U.S. Highway 101 (Interstate Highway 5) and Torrey Pines Road over Torrey Pines Road to south junction U.S. Highway 101 (Interstate Highway 5) and Torrey Pines Road.

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SPECIAL CONDITIONS, RIGHTS AND RESTRICTIONS

1. Routes described include transportation of passengers, their baggage and shipments of express (including newspapers) weighing one hundred pounds or less, on passenger-carrying vehicles between all points and places, subject to the same restrictions as apply to the transportation of passengers and their baggage as set forth herein, except as otherwise noted.

2. Passengers and their baggage shall not be transported locally between the following points:

- (a) Between Sacramento and Roseville and intermediate points.
- (b) Between Los Angeles, Long Beach, Newport Beach and Balboa and intermediate points, except that this restriction shall not apply to shipments of express (including newspapers) weighing one hundred pounds or less, on passenger-carrying vehicles.
- (c) Between the San Diego Terminal of American Buslines, Inc. and La Jolla and intermediate points.

Note: The term "locally" as used in connection with these restrictions does not apply to the movement of passengers and their baggage from points inside a restricted area to points outside that restricted area or to the movement of passengers and their baggage from points outside a restricted area to points inside said restricted area.

3. American Buslines, Inc. passenger stage service between Los Angeles and San Diego, and intermediate points of service, shall be coordinated and integrated with the services of the Santa Fe Transportation Company and The Atchison, Topeka and

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Santa Fe Railway Company. Said services shall provide for stop-over privileges and for the interchange of tickets subject to the payment by the passengers or by refund to the passengers as the case may be of the difference between rail fares and passenger stage fares.

4. Service between Del Mar and Del Mar Race Track and the Fair Grounds (Route 2.04) shall be rendered only during racing meets and other events at said race track and fair grounds.

5. Routes designated as "alternate routes" in this appendix are defined as routes which are in addition to the regular routes between the named termini, and are authorized for operating convenience, to be operated at the option of the company, provided, however, no service may be rendered to or from any intermediate point or points thereon.

6. American Buslines, Inc. is authorized to operate to and from the company stations or points of passenger pickup and discharge within each city, town or community into or through which an authorized highway route passes, unless otherwise specifically restricted or limited.

Issued by California Public Utilities Commission.

Decision No. 65224, Application No. 45061.