

**ORIGINAL**

Decision No. 68138

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
WALTER E. MENDENHALL and WILBUR N.  
MENDENHALL, partners doing business  
as MENDENHALL TRANSPORTATION CO.,  
for authority to discontinue the  
transportation of passengers and  
baggage between certain points.

Application No. 46755

Investigation into the operations,  
rates, schedules, tariffs, service,  
equipment and facilities of  
GREYHOUND LINES, INC., WESTERN  
GREYHOUND LINES DIVISION, between  
Scotia and Trinidad, California.

Case No. 8011

Investigation into the operations,  
rates, schedules, tariffs, service,  
equipment and facilities of WALTER E.  
and WILBUR N. MENDENHALL, doing  
business as MENDENHALL TRANSPORTATION.

Case No. 8012

- J. Richard Townsend, for Mendenhall Transportation Company, applicant and respondent.
- Armand Karp, for Callison Truck Lines and George E. Stoot, for Merchants Express of California, respondents and interested parties.
- William T. Meinhold, for Greyhound Lines, Inc. (Western Greyhound Lines Division), respondent and interested party.
- John D. Cook, for Humboldt County, interested party.
- Lawrence Q. Garcia, for the Commission staff.

INTERIM OPINION

Public hearing was held on these three matters on October 6, 1964. Applicants introduced evidence tending to show that they were losing money on the operations sought to be abandoned. There was also a showing on behalf of the public that this service was greatly needed. The staff took the position that

by operating only one bus and otherwise curtailing certain less needed services, applicants would be able to reduce costs substantially and still render the most vitally needed portion of the service. The matter was then submitted upon briefs to be filed.

On October 21, 1964, applicants filed a petition requesting that the submission be set aside and that an interim order issue authorizing the operation of reduced service in substantially the manner as proposed by the staff, for a ninety-day trial period.

The evidence introduced supports the present request by showing that the proposed reduced service will more nearly meet the actual need of the public and will permit the accomplishment of essential economies. The testimony of applicants appears to support the assertion that some fares should be substantially increased. Members of the public stated at the hearing that they would willingly pay reasonably increased fares rather than lose the benefit of local bus service entirely.

In order to afford an opportunity to test this revised bus schedule to determine whether it reasonably satisfies the public need and whether it can be operated at a reasonable profit, applicants request in their petition that the following action be taken by the Commission:

1. The submission of this proceeding be set aside forthwith, and the Examiner's order with respect to the filing of briefs at this time be cancelled.
2. The Commission issue forthwith an interim order, effective upon issuance, authorizing applicants to provide passenger service substantially in accordance with the time schedule, Exhibit A, and authorizing applicants to discontinue all other service for the transportation of passengers and baggage between Scotia, Trinidad, Bayside, Sunny Brae, Crannel, Redwood Acres Fair Grounds, Korbek and intermediate points.

3. The Commission set a further hearing in this proceeding in San Francisco approximately 10 days after operations have been conducted under such interim order for a period of 90 days, such hearing to be for the sole purpose of determining whether applicants' service under such schedule has been conducted at a reasonable profit and should be continued or whether applicants' passenger service in the area in question should be permanently discontinued.

Mr. Mendenhall states that applicants intend to file as soon as possible an application for authority to increase the applicable passenger and express rates on short notice. Prompt action on such rate increase application is desired, so that the increased rates can be in effect throughout most of such 90-day test period.

In order to afford applicants relief, which the record shows is needed, it is important that action on this petition be taken promptly, and that the curtailed operation requested herein be permitted to become effective on three days' notice.

The Commission finds from the evidence of record that the revised service as requested will more appropriately meet the public convenience and necessity in this area. Without a reduction in costs and an increase in revenues, it is doubtful if this operation can be made profitable. It is further found that there is no public need for passenger stage service between Scotia, Trinidad, Bayside, Sunny Brae, Crannel, Redwood Acres Fair Grounds, Korbel and intermediate points, except between Scotia and Arcata and intermediate points. Based upon a consideration of the evidence of record and upon the above findings, the Commission concludes that applicants should be permitted to operate as proposed for a reasonable period of time.

INTERIM ORDER

IT IS ORDERED that:

1. The submission heretofore entered in the above-entitled matters is set aside and the matters reopened for further hearing.
2. The Examiner's direction with respect to the filing of briefs is revoked.
3. Applicants are authorized to discontinue passenger stage service between Scotia, Trinidad, Bayside, Sunny Brae, Crannel, Redwood Acres Fair Grounds, Korbel and intermediate points, except between Scotia and Arcata and intermediate points.
4. Until further order of this Commission applicants are authorized to operate the remaining passenger stage corporation service in accordance with the schedules set forth in Appendix A which is made a part hereof, commencing upon not less than three days' notice to the public posted in applicants' buses and depots.
5. While the schedules set forth in Appendix A are observed applicants shall keep accurate counts of all passengers using the service.

The effective date of this interim order shall be the date hereof.

Dated at San Francisco, California, this 27th day of OCTOBER, 1964.

Frederick B. Holshoff  
President  
Peter E. Hatchell  
George H. Grover  
Commissioners

NENDENHALL TRANSPORTATION CO.

<u>Schedule No.</u>	<u>NORTHBOUND</u>					
	<u>101</u>	<u>103</u>	<u>105</u>	<u>107</u>	<u>*** 109</u>	<u>111</u>
Scotia	7:00 A.M.		10:30 A.M.			4:15 P.M.
Fortuna	7:15		10:45			4:30
Fernbridge	7:20		10:50			4:35
Loleta	7:25		10:55			4:40
Eureka	7:40	8:40 A.M.	11:15	2:30 P.M.	3:30 P.M.	5:10
Sunnybrae		8:50 A.M.		2:45	3:45	5:25
Arcata	8:00	9:00	11:35	2:50	3:50	5:30

<u>Schedule No.</u>	<u>SOUTHBOUND</u>					
	<u>102</u>	<u>104</u>	<u>106</u>	<u>108</u>	<u>*** 110</u>	<u>112</u>
Arcata	8:10 A.M.	9:00 A.M.	12:10	3:05 P.M.	4:10 P.M.	5:30 P.M.
Sunnybrae	8:13	9:03	12:13		4:13	
Eureka	8:30	9:20	12:30	3:30	4:30	5:45
Loleta		9:40		3:45		6:00
Fernbridge		9:45		3:50		6:05
Fortuna		9:50		3:55		6:10
Scotia		10:05		4:10		6:30

\*\*\* Two schedules to be operated by an additional bus.  
Daily except Saturdays, Sundays, and Holidays.