

Decision No. 73865

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application  
of SAN DIEGO ECONOMY LINE, INC.  
for authority to extend its  
passenger stage service on its  
Route "2" in the vicinity of  
Unimart and Chula Vista Shopping  
Center in the City of Chula  
Vista, and removal of restriction.

Application No. 49702  
(Filed October 2, 1967)  
(Amended November 1, 1967)

Freddie L. Allen, for applicant.  
W. L. McCracken, for Western  
Greyhound Lines; and Ed Reeder,  
for San Diego Transit Corpora-  
tion; protestants.  
K. Niek Slijk, for Chula Vista  
Chamber of Commerce, interested  
party.  
Lloyd C. Young, for the Commission  
staff.

O P I N I O N

This application was heard before Examiner DeWolf at Chula Vista on January 24 and 25, 1968, and on January 25, 1968, it was submitted. Copies of the application and the notice of hearing were served in accordance with the Commission's procedural rules. The protestants are Western Greyhound Lines and San Diego Transit Corporation.

Applicant is a passenger stage corporation presently transporting passengers between College Grove and San Diego and between College Grove, Chula Vista, and San Ysidro, with certain restrictions.

Applicant requests authorization to extend such passenger stage operations so as to transport passengers and their baggage to two shopping centers immediately adjacent to its route in Chula Vista and also requests the removal of restrictions along its Route 2 in Chula Vista between the International Border and Chula Vista.

The fares proposed to be assessed for the service are those named in applicant's tariff on file with the Commission and all of the proposed extensions are within the present zones. Applicant does not propose any alteration of equipment to be operated.

Applicant alleges that the extensions are requested to serve two shopping centers and are responsive to demands of patrons of the bus service. It is alleged that the present distances from the shopping centers are too far to walk for passengers returning with parcels and packages purchased after shopping. It is alleged that there is no transportation from the International Border, Otay, Castle Park, Bonita, Sunnyside, Spring Valley and Lemon Grove to these shopping centers except by this proposed route, and that the application is in the public interest.

Applicant testified that the proposed changes in the Route 2 are made necessary by increased population and improved new shopping centers which are developed to serve a population of 24,000 people. Applicant submitted Exhibit No. 1 in evidence which is an estimation of gross operating revenue for 75 operating days on this route and states that estimated revenue would be \$10,890, estimated expenses \$4,580.25 and the route would then

show an estimated profit of \$6,309.75. The route is presently handling approximately 80 passengers per day and 7 passengers per trip.

Applicant testified that the Fredericks Manor, a non-profit retirement home of over 500 residents which also contains a hospital, is located on this route in Chula Vista, and that these residents desire to patronize two public shopping centers recently built a short distance off of the present route of applicant. Applicant proposes to extend this route to these two shopping centers. No public transportation presently operates on the streets to be served by the proposed extensions. Applicant testified that the elderly people at the retirement home need this extra service and that the other persons who ride this bus also will use the extended service.

Approximately 150 people came to the hearing. Twelve public witnesses testified in support of the proposed additions to applicant's service, and most of these use the service and find it runs on schedule and is convenient. All testified that the proposed extensions to the shopping centers would be a benefit. One witness testified that he used the service to the Port of Entry at San Ysidro from College Grove. A City Councilwoman from the City of Chula Vista testified that the City is in great need of local transportation within the City and the City should have much more local transportation which could be provided either by applicant or the San Diego Transit Corporation. The Councilwoman read a letter into the record from the City Attorney which neither

approved nor disapproved the application but made suggestions as to route changes. She testified that the through transportation provided by Greyhound and San Diego Transit is excellent but that these routes run on the main streets and not to many areas within the City where transportation is needed. The councilwoman testified that she favored any additional transportation for the citizens and merchants of Chula Vista. The City Council did not favor removal of the restrictions as to applicant's San Ysidro operations for the reason that it would create competition between carriers.

A member of the Chula Vista Chamber of Commerce testified that the Board of Directors of the Chamber of Commerce examined the application on January 11, 1968, and after evaluation and recommendation made by the chairman of the Transportation Committee of the Chamber of Commerce and the directors unanimously endorsed the application of San Diego Economy Line.

The San Diego Transit Corporation appeared and opposed the application. The superintendent of traffic testified for the Transit Corporation and alleged that both of the shopping centers desiring to be served by applicant are now adequately served by the corporation by two lines from San Diego over routes described as follows:

The "L" line operates 34 trips in each direction daily past the Unimart shopping center over Fourth Avenue; and the "O" line operates 38 trips inbound and 36 trips outbound past the Chula Vista shopping center over Broadway and "H" Street.

The superintendent testified that they would be glad to make additions and changes in routes if such would pay out-of-pocket costs and would otherwise be glad to install such additions

provided a subsidy were established to take care of the cost.

Three witnesses testified for protestant Western Greyhound. A marketing manager and a regional manager testified that each had observed one passenger debark from the applicant's bus in Chula Vista and then reenter the bus and proceed to San Ysidro, and thus obtain through passage to San Ysidro in violation of the restriction on this route. Applicant admitted that this had occurred.

Protestant Greyhound introduced in evidence Exhibits Nos. 4, 5, 6, and 7 - being a map of its routes and applicant's route, a chart of its schedules and statistics showing passengers handled and revenue.

It is the position of protestants that transportation in the area is adequate and that the extensions requested by applicant would take traffic from protestants' buses. Protestant Greyhound also claims that applicant is violating its restriction by allowing passengers to reenter the bus after debarking at the end of a restricted zone, and that applicant is taking passengers to the Port of Entry in violation of the restrictions.

The witnesses for protestants testified regarding extensive service through Chula Vista with many local stops along Broadway and Third Avenue providing hourly service or better locally along these streets. The Greyhound testimony shows a large investment in this local service and that it has a program for advertising and improvement, including installation of new benches, addition of bus stops where needed, regular Spanish Radio Program and public advertising. Exhibit No. 7 is a Recap

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of Passengers Handled between Points Shown During Survey Days November 1, 3, 4, 1967 and January 5, 1968, being locally from National/18th and Chula Vista to the Port of Entry, total passengers being 3,094 and revenue of \$1,044.83.

Summarizing the testimony and evidence the public witnesses have established the need for additional bus service between the Fredericka Manor and the two shopping centers a short distance from applicant's present routes, however, they do not show any need for additional service by applicant along the routes of the protestants which would require removal of the restrictions on applicant's operations to the Port of Entry. The evidence of protestants shows their service to the Port of Entry is adequate and that removal of the restrictions would tend to interfere with the service rendered by protestants on these routes, and to reduce their patronage. Applicant may have violated such restrictions and should be admonished against future violations. These restrictions should be clarified to prevent destructive competition between applicant and protestants' routes to the Port of Entry.

#### Findings

Upon consideration of the evidence the Commission finds that:

1. Applicant possesses the experience, equipment, personnel and financial resources to institute and maintain the service hereinafter authorized.

2. There is no present direct satisfactory bus service to the market centers identified by applicant available to its patrons without inconvenient delays and transfers.

3. The service herein authorized will provide direct transportation facilities to shopping centers and the Fredericka Manor for the benefit of patrons of applicant, and will not compete with bus service provided by protestants.

4. Applicant will be restricted in the operation to the Port of Entry as herein provided to prevent destructive competition with protestants, and applicant will be admonished that failure to comply with said restriction may result in revocation or further restriction of this authority.

5. Public convenience and necessity require that the proposed service to the shopping centers be established as herein authorized.

The Commission concludes that the application should be granted in part and denied in part as provided in the ensuing order.

San Diego Economy Line, Inc., is hereby placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or

anceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to San Diego Economy Line, Inc., a California corporation, authorizing it to operate as a passenger stage corporation as defined in Section 226 of the Public Utilities Code, for the transportation of passengers between the points and over the route more particularly set forth in First Revised Pages 2 and 4 and Original Page 2A of Appendix A attached hereto and made a part hereof.
2. Appendix A of Decision No. 72433 is amended by incorporating therein First Revised Pages 2 and 4 and Original Page 2A.
3. Applicant is admonished that any failure to follow restrictions contained in First Revised Page 2 and Original Page 2A attached hereto may result in revocation or further restriction of this authority.
4. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.
  - (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-A and insurance requirements of the Commission's General Order No. 101-B.



- (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- (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 filings of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98-A.
- (e) Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

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

Dated at San Francisco, California, this 19th day of MARCH, 1968.

[Signature]  
President

[Signature]

[Signature]

[Signature]

[Signature]  
Commissioners

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS  
AND SPECIFICATIONS.

The certificate hereinafter noted supersedes all operative authority heretofore granted to San Diego Economy Line, Inc.

San Diego Economy Line, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin is authorized to transport passengers between Calavo Gardens and San Diego and between College Grove Shopping Center and San Ysidro, over and along the routes hereinafter described, subject to the following conditions and restrictions:

- (a) Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- (b) When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- (c) Passengers whose origin and destination are both west of Euclid Avenue shall not be transported.
- \* (d) No passenger shall be transported whose origin and destination are both west or south of Minot Avenue and "E" Street, Chula Vista, to and including the International Border.

Issued by California Public Utilities Commission.

\* Revised by Decision No. 73865, Application No. 49702.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS  
AND SPECIFICATIONS.

(d) EXCEPTIONS:

This restriction SHALL NOT APPLY to  
any passenger boarding or alighting:

- (1) Along BeyerWay between Fern Avenue  
and the Otay River, both points  
inclusive; or
- (2) Along Third Avenue, Chula Vista, at  
Fredericka Park Way, or points north  
thereof, to and including Unimart.

All service performed along Third Avenue  
south of "E" Street, Chula Vista, shall  
be provided by trips operated through  
from the College Grove terminus of Route 2  
of San Diego Economy Line, Inc.

Issued by California Public Utilities Commission.

Decision No. 73865, Application No. 49702.

SECTION 2. ROUTE DESCRIPTIONS--Contd.

Route No. 2. College Grove - San Ysidro

Commencing at the College Grove Shopping Center located at the intersection of Ryan Road and College Boulevard in San Diego, thence along Ryan Road, College Boulevard, Broadway Avenue, Sweetwater Road, South Bay Freeway, Sweetwater Road, Bonita Road, 'E' Street, Third Avenue, Beyer Way and North Vista Avenue to the International Border at San Ysidro.

- \* Also, from Third Avenue and 'E' Street, Chula Vista, thence along Third Avenue to Fourth Avenue (Unimart Shopping Center).
- \* Also, from Third Avenue and 'H' Street, Chula Vista, thence along 'H' Street, Fifth Avenue, and 'I' Street to Third Avenue.

Issued by California Public Utilities Commission.

\* Added by Decision No. 73865, Application No. 49702.