

Decision No. 80441**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
 BONANZA STAGE LINES, INC. for certi-
 ficate of public convenience and
 necessity to operate passengers,
 baggage, mail and express service
 between Palmdale and Lancaster,
 Bakersfield and San Bernardino,
 Lancaster and Victorville.

Application No. 52771

(Filed July 26, 1971)

In the matter of the application of
 ANTELOPE VALLEY BUS, INC. for authority
 to establish passenger stage service
 between Lancaster and Palmdale, and
 between Lancaster and Mayflower
 Gardens.

Application No. 53248

(Filed March 30, 1972)

James E. Clark and David M. Shacter,
 Attorneys at Law, and Melville E.
Quincy, for Bonanza Stage Lines,
 Inc., applicant in A. 52771.

James H. Lyons, Attorney at Law, for
Antelope Valley Bus, Inc., applicant
 in A. 53248 and protestant in
 A. 52771.

Stephen B. Ringwood, Attorney at Law,
 for Greyhound Lines-West, protestant
 in A. 52771.

Raymond Toohy, Edward C. Crawford and
Daniel R. Paige, for the Commission's
 staff.

O P I N I O N

On July 26, 1971, Bonanza Stage Lines, Inc., applied for a certificate of public convenience and necessity to operate as a passenger stage corporation between Lancaster and Palmdale, Bakersfield and San Bernardino, and Lancaster and Victorville.

Bonanza's application was protested by Antelope Valley Bus Lines and Greyhound. The matter was set down for hearing on October 7, 1971, and continued to December 7, 1971. During the hearing on December 7, protestants made a motion to dismiss the application for failure of proof of the allegations; Bonanza moved for a continuance to produce more evidence. Both motions were submitted. On January 25, 1972, the Commission, in Decision No. 79643, set aside submission, denied the motion to dismiss, and reopened Application No. 52771 for further hearing.

On March 30, 1972, Antelope Valley Bus, Inc., filed its application for authority to establish passenger stage service between Lancaster and Palmdale and between Lancaster and Mayflower Gardens. Because of the duplication of service requested, the application of Bonanza and the application of Antelope Valley were consolidated for hearing on July 25, 1972. On June 5, 1972, notice of the hearing was given by the Commission to all parties, including Bonanza Stage Lines and its attorneys. On July 25, 1972, public hearing was held in the Commission Courtroom in Los Angeles before Examiner Robert Barnett. At that time and place, no appearance was made for Bonanza Stage Lines. Testimony was taken from Antelope Valley Bus Lines on its application.

We have reviewed the reporter's transcripts of October 7, 1971 and December 7, 1971, and find that the evidence in support of Bonanza Stage Lines' application is not sufficient to support the issuance of a certificate of public convenience and necessity and, therefore, Application No. 52771 will be dismissed.

The witness for Antelope Valley Bus Lines testified that his company has been serving the Antelope Valley for a number of years. It is presently engaged in the transportation of passengers and their baggage between Lancaster, Rosamond, and Edwards Air Force Base in Los Angeles and Kern Counties and the surrounding areas. It also renders scheduled passenger stage service between Edwards Air Force Base and Los Angeles International Airport, as well as within and/or between the Lancaster, Quartz Hill, Palmdale, and Newhall-Saugus areas of Los Angeles County. In addition, it operates school service in and around the Palmdale-Lancaster areas.

At present Antelope Valley Bus Lines provides charter bus service between Lancaster and Mayflower Gardens two days a week pursuant to a contract with the Downtown Business Men's Association of Lancaster. Mayflower Gardens is a senior citizens' development. Antelope Valley Bus Lines proposes to establish this service on a certificated basis so as to serve more residents along the route, and other business districts in Lancaster. The operation of the Lancaster-Mayflower Gardens route as a passenger stage line will not cause any increase in bus miles or expense over that now incurred in operating the contract service. The contract with the Downtown Business Men's Association will be continued in effect. The public will be afforded public transportation service where none now exists, and the traffic developed will bring in added revenues.

Antelope Valley Bus Lines requests added operating authority between Lancaster and Palmdale because in its opinion there is sufficient demand for service between the two communities to warrant a local line at this time, and this is especially true because of increased aircraft industrial employment in Palmdale. Population of the Palmdale area is approximately 16,000 and the Lancaster area approximately 40,000. Service will be provided twice a week with two round trips on each day.

At present, Item No. 11 of Antelope Valley Bus Lines' operating authority states: "No person or express shall be transported between Palmdale and Lancaster, except between the Palmdale Airport and Lancaster and school children using special school service." Because we are granting the application this restriction will be canceled.

Applicant has the financial resources, the management competence, and the necessary equipment to operate the routes as proposed. Fares will range from 25 cents to 45 cents for adult one-way service, depending upon distance traveled.

Findings of Fact

1. Antelope Valley Bus, Inc. has the management ability, financial resources, and equipment to operate the proposed routes.
2. There is a public demand for service along the proposed routes.
3. Public convenience and necessity require the granting of the application of Antelope Valley Bus, Inc.

The Commission concludes that the application of Antelope Valley Bus, Inc. should be granted and the application of Bonanza Stage Lines, Inc. should be denied.

Antelope Valley Bus, 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 canceled 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 Antelope Valley Bus, 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 particularly set forth in Appendix A attached hereto and made a part hereof.

2. Fares are authorized as provided in Exhibit 3.

3. In providing service pursuant to the certificate herein granted, Antelope Valley Bus, Inc. shall comply with and observe the following service regulations. Failure to do so may result in 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-C.

- (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 filing 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.

4. Item No. 11 of Appendix A to Decision No. 63264 is deleted.
5. The application of Bonanza Stage Lines, Inc., is dismissed.
The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 31st day
of AUGUST, 1972.

Yasnon L. Sturgeon
President
William J. Quinn
John W. ...
...
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

7. On-call service shall be operated as required for 28 or more persons on Routes Nos. 7, 8, 9, 10 and 11 and for 24 more persons on Routes Nos. 12 and 13.
8. Routes Nos. 7, 8, 9, 10, 11, 12 and 13 service shall be limited to the transportation of round-trip passengers originating at Palmdale or north thereof and destined to Dodger Stadium, Los Angeles Coliseum, Hollywood Bowl, Pacific Ocean Park, Disneyland, Knotts Berry Farm, Pasadena Rose Parade, Hollywood Park, or Santa Anita Race Track.
9. Where route descriptions are given in one direction they apply to operations in either direction unless otherwise directed.
10. For operating convenience only, 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.
- *11. Deleted.
12. Service on Route 15 shall be between the Lancaster, Quartz Hill, Palmdale Service Areas and points south and/or west of Palmdale Service Area, on the one hand, and the Bermite Division Plant in Saugus, on the other hand.

Lancaster Service Area

That area in and about Lancaster bounded on the north by Avenue H, on the east by 30th Street East, on the south by Avenue L, and on the west by 25th Street West.

Palmdale Service Area

That area in and about Palmdale bounded on the north by Avenue P, on the east by 40th Street East, on the south by Avenue U, and on the west by 15th Street West.

Issued by California Public Utilities Commission.

*Modified by Decision No. 80441, Application No. 53248.

ROUTE DESCRIPTIONS--Contd.

*ROUTE NO. 20 - Lancaster - Mayflower Gardens

Beginning at the intersection of Lancaster Blvd. and Beech Ave., Lancaster, thence via Lancaster Blvd., 10th St. West, Avenue K, 15th St. West, Avenue J, 20th St. West, Avenue K, 30th St. West, Avenue L, 50th St. West, Avenue M, 67th St. West, Avenue L-12, Purplebush Ave., Avenue L-15 and 67th Street West to Avenue M; returning via Avenue M, 50th St. West and reverse of going route.

*ROUTE NO. 21 - Lancaster - Palmdale

Beginning at the intersection of Lancaster Blvd. and Beech Ave., Lancaster, thence via Lancaster Blvd., 10th St. West, Palmdale Blvd., 30th St. East, Avenue Q-4, London, Palmdale Blvd., 40th St. East, Avenue R and 20th St. East to Palmdale Blvd.; returning via Palmdale Blvd., 10th St. West and reverse of going route.

Issued by California Public Utilities Commission.

*Added by Decision No. 80441, Application No. 53248.