

Decision No. 81349

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of JOHN E. COOK, an individual, doing business as Cook's Charter Bus Service, for authority to institute passenger stage operations between Twenty-nine Palms Marine Corps Base, on the one hand, and Los Angeles and San Diego, on the other hand, all points in California.

Application No. 53642

(Filed October 13, 1972;  
amended February 2, 1973)

Application of GREYHOUND LINES, INC. for authority to revise and extend its route No. 18 to provide Special Operations between Yucca Valley Junction (junction of Interstate Highway 10 & California Highway 62) and Main Gate Entrance, Marine Corps Base, Twenty-Nine Palms.

Application No. 53786

(Filed January 15, 1973)

In the matter of the application of JOHN C. HASTIE, an individual, dba 29 Palms Stages, to sell and JOHN E. COOK, an individual, dba Cook's Charter Bus Service, for authority to purchase the certificate of public convenience and necessity.

Application No. 53788

(Filed January 15, 1973)

Steve Ringwood, Attorney at Law, for  
Greyhound Lines-West, Division of  
Greyhound Lines, Inc., applicant in  
A. 53786 and protestant in A. 53788.  
James H. Lyons, Attorney at Law, for  
John E. Cook, applicant in A. 53642  
and A. 53788 and protestant in  
A. 53786.  
John C. Hastie, in propria persona,  
applicant in A. 53788.  
John deBrauwere, for the Commission  
staff.

O P I N I O N

The above-entitled applications, which concern passenger transportation between the Twenty-nine Palms Marine Corps Base (Base) and Twenty-Nine Palms, Palm Springs, and other points including in some instances Los Angeles and San Diego, were consolidated for hearing which was held before Examiner Rogers in Twenty-Nine Palms on February 15 and 16, 1973.

Existing Services

John C. Hastie, doing business as 29 Palms Stages (Hastie), provides service between the Palm Springs Airport and the Base, serving Desert Hot Springs, Morongo Valley, Yucca Valley, Joshua Tree, and Twenty-Nine Palms enroute.

Greyhound Lines-West, Division of Greyhound Lines, Inc. (Greyhound), provides service between Palm Springs, Yucca Valley, Los Angeles, and San Diego but provides only charter-party service to and from the Base.

Application No. 53788

By this application Hastie requests authority to sell, and John E. Cook, doing business as Cook's Charter Bus Service (Cook), seeks authority to purchase the operating authority granted by Decision No. 76088, dated August 26, 1969, in Application No. 51197.<sup>1/</sup> The consideration for the transfer will be \$7,100 cash, payable on the date the transfer is approved by this Commission. No equipment is involved as the buyer will furnish his own.

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<sup>1/</sup> Prior decisions were Nos. 31477 and 49949.

The reason for the transfer is that Hastie desires to withdraw from the passenger stage business. The buyer, Cook, has had experience in the operation of charter buses, school buses, and passenger stages for approximately 22 years.

As of September 28, 1972, Cook had total assets which he valued at \$119,000 and liabilities totaling \$40,000 for a net worth of \$79,000. A staff financial examiner stated the staff had no objection to the transfer (Exhibit 11). Cook will purchase or lease 38- and 41-passenger deluxe, air conditioned coaches for use in the service.

Numerous groups and individuals, including the Twenty-Nine Palms Community Council, the Morongo Valley Chamber of Commerce, the Twenty-Nine Palms Chamber of Commerce, and the Joshua Tree Chamber of Commerce appeared or filed documents in support of this application. There was no opposition to the transfer.

We find that the proposed transfer will not be adverse to the public interest; that Cook has the experience to enable him to conduct the business now operated by Hastie; and that Cook has sufficient assets to continue the operations of the passenger stage service. The buyer and seller should be authorized to execute the agreement of sale, a copy of which is attached to the application as Exhibit A.

Applications Nos. 53642 and 53786

On October 13, 1972, Cook filed Application No. 53642 and on February 2, 1973, he filed an amendment thereto. The gist of the amended application is that he seeks authority as a passenger stage corporation to provide service on weekends and holidays, on a round trip basis only, between Los Angeles or San Diego, on the one hand, and the following points, on the other hand: The Base,

Twenty-Nine Palms, Joshua Tree, Yucca Valley, and Morongo Valley. The distance from the Base to Los Angeles and return is 300 miles; the distance from the Base to San Diego and return is 370 miles.

Several groups and individuals addressed letters to the Commission requesting that authority be granted for the service and particularly requesting a carrier to provide transportation to and from the Base on the weekends or holidays. A Marine Corps transportation officer stationed at the Base testified that a regular service on an individual fare basis is needed on the weekends for the Marines, although he did not specify Los Angeles and San Diego as the principal destinations.

A staff financial examiner stated that he had examined Cook's records; that Cook has a commitment for additional funds, if needed; and that the staff had no objection to Cook receiving the authority requested.

The evidence shows and we find that some passenger transportation service, in addition to the local service to be given by Cook, is needed.

Greyhound has services in existence by which it can transport passengers to and from San Diego, Los Angeles, and Palm Springs through Yucca Valley Junction (see Exhibit 17). It proposes to extend service on weekends and holidays, only, as Mr. Cook does, to and from the Marine Corps Base serving all the intermediate points (except Desert Hot Springs). Greyhound has many modern high-speed and comfortable stages. It also has adequate finances.

The only actual differences between Cook and Greyhound are (1) time in transit and (2) the fares.

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### Schedules for Marines

Greyhound did not offer a through direct service between the Base and either San Diego or Los Angeles. Its proposal was simply to extend service between Yucca Valley Junction on U.S. Highway 10 and the Base via State Highway 62, passing through the intermediate points of Morongo Valley, Yucca Valley, Joshua Tree, and Twenty-Nine Palms. The Base service would tie in with Greyhound's existing service. If there were sufficient demand, tariffs might be changed to show local fares along Highway 62 to accommodate people living on State Highway 62.

### Fares

Cook's proposed round trip fares between Los Angeles, San Diego, and intermediate points follow:

<u>Adult</u>	<u>Round Trip</u>
Between Los Angeles And	
Twenty-nine Palms Marine Corps Base	\$10.50
Twenty-Nine Palms	10.30
Joshua Tree	9.80
Yucca Valley	9.55
Morongo Valley	9.20
<u>Child</u> (5 to 12 years, inclusive) One-half fare	

<u>Adult</u>	<u>Round Trip</u>
Between San Diego And	
Twenty-nine Palms Marine Corps Base	\$14.50
Twenty-Nine Palms	14.30
Joshua Tree	13.80
Yucca Valley	13.55
Morongo Valley	13.20
<u>Child</u> (5 to 12 years, inclusive) One-half fare	

Greyhound

Greyhound would operate via its regular schedules between the Junction at U.S. Highway 10 and State Highway 62 and Los Angeles or San Diego. It would add special weekend service to and from the Base. Greyhound's fares are calculated on a mileage basis. On such basis its round trip fare between Los Angeles and the Base would be approximately \$14.43 and between San Diego and the Base would be approximately \$20.72.

Schedules

Both parties are proposing weekend or holiday service, only, with departure from the Base to either San Diego or Los Angeles, and return at the end of the holiday or weekend.

Cook

Cook's schedules would leave the Base at 6:00 P.M. for either Los Angeles or San Diego. Scheduled arrival time would be 9:00 P.M. in Los Angeles and 9:45 P.M. in San Diego. The return trips would leave San Diego or Los Angeles at 6:00 P.M. The San Diego bus would arrive at the Base at 9:45 P.M. and the Los Angeles bus would arrive at the Base at 9:00 P.M.

Greyhound

Inasmuch as Greyhound has not proposed special schedules,<sup>2/</sup> at present, its service from the Base to Los Angeles would require approximately 4 hours and 30 minutes, leaving the Base at 4:25 P.M. and arriving in Los Angeles at 8:55 P.M. In the opposite direction, a bus would depart Los Angeles at 6:45 P.M. and arrive at the Base at 12:55 A.M. In each instance a transfer would be required in Palm Springs.

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<sup>2/</sup> No schedule was given by Greyhound. The time shown was extrapolated from Greyhound's schedules (Exhibit 25) which include Hastie's time from Palm Springs to the Base.

On the San Diego trip, a bus would leave the Base at 4:25 P.M. and arrive at San Diego at 10:55 P.M. with transfers in Palm Springs and Riverside. In the reverse direction a bus would leave San Diego at 5:10 P.M. and arrive at the Base at 12:55 A.M.

Greyhound provides some additional schedules but the travel time is longer.

We have reviewed the record herein and we are convinced that there is a demand for through service as proposed by Cook and that Greyhound's proposal does not meet the desires of the public as expressed at the hearing.

Findings As To Application No. 53788

1. The proposed transfer would not be adverse to the public interest and the property to be procured or paid for by the issue of the indebtedness herein authorized is reasonably required for the purposes specified herein, and such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

2. The authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred.

3. John C. Eastie and John E. Cook should be authorized to execute the agreement for the transfer of the operating authority referred to in Finding 1 in the form of Exhibit A attached to Application No. 53788.

Findings As To Applications Nos. 53642 and 53786

1. Public convenience and necessity require that John E. Cook extend service as a passenger stage corporation, on weekends and holidays only, and on a round trip basis only, between the Twenty-nine Palms Marine Corps Base, on the one hand, and San Diego and Los Angeles, on the other hand.

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2. The schedules and fares proposed by John E. Cook are reasonable and should be placed in effect.

3. The proposed schedules and fares of Greyhound-West are not in the best interests of the public. Greyhound-West's application should be denied.

4. Greyhound-West will not provide scheduled service between the Base and San Diego and Los Angeles to the satisfaction of the Commission.

### Conclusions

1. The transfer from John C. Hastie to John E. Cook should be authorized.

2. The weekend round trip service proposed by John E. Cook should be authorized.

3. Greyhound-West's application should be denied.

John E. Cook 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. On or before June 1, 1973, John C. Hastie may sell and transfer, and John E. Cook may purchase and acquire, the operative rights and property referred to in Application No. 53788.

2. Within thirty days after the consummation of the transfer herein authorized, John E. Cook shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.



3. John E. Cook shall amend or reissue the tariffs and timetables on file with the Commission, naming rates and rules governing the common carrier operations herein to show that he has adopted or established, as his own, said rates and rules. 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 consummation of the transfer herein authorized.

4. In the event the transfer authorized in paragraph 1 hereof is consummated, a new certificate of public convenience and necessity is granted to John E. Cook authorizing him 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.

5. The certificate of public convenience and necessity granted in paragraph 4 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 76088, which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3 hereof.

6. A certificate of public convenience and necessity is granted to John E. Cook, an individual, authorizing him to operate as a passenger stage carrier, 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.

7. In providing service pursuant to the certificates herein granted or acquired, John E. Cook shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted or authorized to be acquired by this decision.

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificates herein granted or acquired. Applicant is placed on notice that, if he accepts the certificate of public convenience and necessity herein granted or acquired, he 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 his 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 his operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

8. The application of Greyhound-West is denied.

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

Dated at San Francisco, California,  
this 8th day of MAY, 1973.

Veron L. Sturgeon  
President  
William J. Sykes  
[Signature]  
[Signature]  
Commissioners

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

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Appendix A

JOHN E. COOK

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CERTIFICATE  
OF  
PUBLIC CONVENIENCE AND NECESSITY

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Showing passenger stage operative rights, restrictions, limitations,  
exceptions, and privileges applicable thereto.

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All changes and amendments as authorized by  
the Public Utilities Commission of the State of California  
will be made as revised pages or added original pages.

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Issued under authority of Decision No. 81349,  
dated. MAY 8 - 1 1973, of the Public Utilities Commission  
of the State of California, in Application No. 53642.

SW/ek \*

Appendix A

JOHN E. COOK

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

The certificate hereinafter noted supersedes all operative authority heretofore granted to John C. Hastie.

John E. Cook, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers and baggage between Palm Springs Airport, on the one hand, and Twenty-nine Palms Marine Corps Base, on the other hand, and between Twenty-nine Palms Marine Corps Base, on the one hand, and San Diego and Los Angeles, on the other hand, and intermediate points over and along the routes hereinafter described, subject, however, to the authority of this Commission to change or modify said routes at any time and subject to the following provisions:

- (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) All service herein authorized on Route No. 2 and Route No. 3 shall be limited to the transportation of round-trip passengers only.

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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,  
AND SPECIFICATIONS (Continued)

- (d) John E. Cook shall not pick up or discharge passengers at intermediate points between Palm Springs, on the one hand, and San Diego or Los Angeles, on the other hand.
- (e) The transportation of baggage or express shall be on passenger-carrying vehicles and shall be incidental to the transportation of passengers and limited to a weight of not more than one hundred (100) pounds per shipment.

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## SECTION 2. ROUTE DESCRIPTIONS

John E. Cook is authorized to conduct passenger stage operations over and along the following described streets and highways:

Route No. 1 - Palm Springs Airport - Twenty-nine Palms USMC Base

Beginning at Palm Springs Airport, in the City of Palm Springs, via McCallum Way, Tahquitz Drive, Indian Avenue, Vista Chino, Palm Drive (Desert Hot Springs), Pierson Boulevard, State Route 62 through Morongo Valley, Yucca Valley and Joshua Tree to Adobe Road (Twentynine Palms), thence Adobe Road and Condor Road to entrance to Twentynine Palms Marine Corps Base in San Bernardino County.

Returning via reverse of going route to Palm Springs, thence via Vista Chino, Palm Canyon Drive, Amado Road, Indian Avenue, Alejo Road, Sunrise Way, Tahquitz Drive and McCallum Way to Palm Springs Airport.

Route No. 2 - Twenty-nine Palms USMC Base - San Diego

Beginning at Twenty-nine Palms Marine Corps Base south on Adobe Road; west and south on Twenty-nine Palms Highway and Highway 62 to Interstate 10; west on Interstate 10, west on Highway 60 to Highway 395; south on Highway 395 and Interstate 15 to San Diego; north on Interstate 5 to Front Street off ramp; south on Front Street to "F" Street; west on "F" Street to USO Club, 510 West "F" Street, San Diego. From San Diego, leave USO Club, 510 West "F" Street; east on "F" Street to Front Street; north on Front Street; south on Interstate 5; north on Highway 395 to Highway 60; east on Highway 60 and Interstate 10 to Highway 62; north and east on Highway 62 and Twenty-nine Palms Highway to Adobe Road; north on Adobe Road to Twenty-nine Palms Marine Corps Base.

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## SECTION 2. ROUTE DESCRIPTIONS (Continued)

Route No. 3 - Twenty-nine Palms USMC Base - Los Angeles

Beginning at Twenty-nine Palms Marine Corps Base south on Adobe Road; west and south on Twenty-nine Palms Highway and Highway 62 to Interstate 10; west on Interstate 10 and San Bernardino Freeway to Los Angeles, leaving at Broadway off ramp; south on Broadway to 5th Street; west on 5th Street to Hill Street; north on Hill Street to USO Club, 428 South Hill Street. From Los Angeles, leave USO, 428 South Hill Street; north on Hill Street to 4th Street; east on 4th Street to Broadway; north on Broadway to San Bernardino Freeway (Interstate 10); east on Interstate 10 to Highway 62; north and east on Highway 62 and Twenty-nine Palms Highway to Adobe Road; north on Adobe Road to Twenty-nine Palms Marine Corps Base.

Issued by California Public Utilities Commission.

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