

ORIGINAL

Decision No. 82142

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
B.L.S. TRANSPORTATION COMPANY INC.,  
for certificate of public convenience and necessity to operate  
passengers, property, and baggage  
service between City of Thousand  
Oaks, County of Ventura, County and  
City of Los Angeles, in the State  
of California.

Application No. 54020  
(Filed May 9, 1973)

Fred Altman, for B.L.S. Transportation Inc.,  
applicant.  
M. G. Gragg and Richard M. Hannon, Attorney at  
Law, for Greyhound Lines, Inc.; Richard T.  
Powers, Attorney at Law, and Howard Beardsley,  
for Southern California Rapid Transit District,  
protestants.  
Michael N. Dunahee, for himself; Bernard A.  
Johnsen, for Gray Line of Los Angeles; and  
R. W. Russell by K. D. Walpert, for City of  
Los Angeles, interested parties.  
John deBrauwere, for the Commission staff.

# O P I N I O N

Applicant has applied for authority to provide a commuter bus service between downtown Los Angeles and the city of Thousand Oaks in Ventura County, on five days of the week, holidays excepted. Protests were filed by Greyhound Lines-West and the Southern California Rapid Transit District. A public hearing was held on August 2, 1973 in Los Angeles before Examiner Fraser. Gray Line of Los Angeles and the city of Los Angeles were represented at the hearing as interested parties.

Applicant is managed and operated by a father and son. The latter testified they operate 15 vehicles as the largest limousine service in the Los Angeles area. Applicant has been in its present location for four years. The witness and his father

operated a limousine service for eight years in New York City. He testified that applicant has its vehicles repaired in Thousand Oaks and while drivers were waiting they were frequently asked whether they provided a regular service into downtown Los Angeles. These incidents prompted applicant to request the drivers to conduct a survey by asking members of the public whether they needed a service to downtown Los Angeles, and when, and with what frequency, service should be provided. The drivers did not ask prepared questions or fill out forms but the survey indicated with certainty that many of those questioned would use a Los Angeles-Thousand Oaks commuter service during the week. It became apparent that at least two routes out of Thousand Oaks would be required with each one leaving early enough to drop people off in time for work. The buses would pick up after work and return to the morning pickup points. The proposed fare will be \$1.50 one way, with no fare books being sold. The witness stated that service will be initiated with a General Motors 4104 41-passenger bus which has already been purchased and with one or more of the four new General Motors 5108 53-passenger buses applicant has on order. Delivery is expected late next year. Applicant is also negotiating to purchase 10 used 5108 buses from the state of New Jersey, delivery being expected in the month of October 1973. He noted that the limousine drivers are not employed during several hours of each work day. If this application is granted, he will drive on one route and on-duty, nonworking limousine drivers will handle the other schedules. He advised he has no precise estimate on the cost of operating a single bus, either per mile or per hour, although expenses would consist of insurance, maintenance and fuel costs plus drivers' wages of \$5 an hour. He stated bus maintenance will be provided by their own mechanics using the heavy equipment owned by a truck renting agency which will occupy a portion of applicant's new garage. On cross-examination he advised it should take 45 minutes to an hour for each trip.

This estimate includes the time required to pick up and discharge passengers. The one-way distance between the last stops at each end of the line was calculated as 45 miles. Further cross-examination developed that the bus purchase plan will be financed by the Los Angeles Limousine Company. Its financial statement was not available although the witness advised the annual gross was about \$300,000 with \$35,000 in the bank. The witness admitted that the brief financial statement attached to the application was his personal statement. Under cross-examination the witness stated applicant will probably lose about \$50,000 the first two years. This estimate is based on the consideration that it will cost at least \$200 a week to run each bus, plus drivers' wages. He testified 35 passengers per bus are needed to break even, but had no explanation on how this total was obtained. The witness advised schedules are not finalized as yet, but the operation is practical and will be patterned on the service which now operates between Simi Valley and downtown Los Angeles.

A resident of Thousand Oaks made a brief statement for the record. He lives in the Westlake Village section of Thousand Oaks, which has a growing population of 10,000 people and is in need of a reliable bus service to downtown Los Angeles. Counsel for the Southern California Rapid Transit District advised that the District will extend service to the Westlake area in the near future. He stated there appears to be no public need in the other areas applicant seeks to serve. Greyhound Lines-West and the Southern California Rapid Transit District joined in a motion to dismiss the application, alleging that public convenience and necessity were not shown and there was no indication that the operation would be profitable.

#### Findings

1. Comments made by passers-by, during an informal survey conducted by a group of limousine drivers who did not testify are too remote to provide evidence of public convenience and necessity.

2. The financial statement attached to the present application does not refer to the applicant or to the companion corporation which is to loan applicant money for operating expenses.

3. Applicant has failed to provide an estimate of operating costs.

4. The Southern California Rapid Transit District will soon be operating buses between downtown Los Angeles and Thousand Oaks.

5. Authority to institute a 90-mile commute service should be denied where applicant has presented no evidence of public need, has no estimate of operating costs or financial statement, and where a local transit district will be providing a coextensive service.

The Commission concludes that the application should be denied.

O R D E R

IT IS ORDERED that Application No. 54020 is denied.

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

Dated at San Francisco, California, this 30<sup>th</sup> day of NOVEMBER, 1973.

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President  
*William J. Sturgeon*  
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*Vernon L. Sturgeon*  
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*William J. Sturgeon*  
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Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.