Decision No. <u>82946</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of TREZONA'S CHARTER SERVICE for certificate of public convenience and necessity to operate PASSEN-GER SERVICE between ROSEVILLE, CALIFORNIA, and SAN FRANCISCO, CALIFORNIA.

Application No. 54251 (Filed August 21, 1973)

M. H. Trezona, for himself, applicant. <u>Richard M. Hannon</u>, Attorney at Law (Arizona), and <u>Marvin Gragg</u>, for Greyhound Lines - West, protestant. <u>Thomas T. Hamamoto</u>, for the Commission staff.

$\underline{OPINION}$

Merlin H. Trezona and Mardys R. Trezona, doing business as Trezona's Charter Service, are a charter-party carrier of passengers authorized to operate in California under certificate No. TCP 46A. Applicants here seek authorization to establish a passenger commute service as a passenger stage corporation on Monday through Friday, holidays excepted, between Roseville and Sacramento, on the one hand, and San Francisco, on the other hand. The proposed morning route will be a closed door service from Roseville-Sacramento to San Francisco, with boarding passengers only being accepted in Sacramento at Arden and Watt Avenues.

In the evening, passengers will be accepted only in San Francisco for the return trip. The morning trip is scheduled to leave Roseville at 5:30 a.m., arriving at Arden and Watt Avenues in Sacramento

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at 5:50 a.m., leaving Arden and Watt Avenues at 5:55 a.m., arriving at Second and Howard streets, San Francisco, at 7:35 a.m., and arriving at the San Francisco Civic Center at 7:45 a.m. The evening run is scheduled to leave the San Francisco Civic Center at 4:45 p.m., arriving at Second and Folsom Streets at 5:00 p.m., arriving at Arden and Watt Avenues in Sacramento at 6:40 p.m., and returning to Roseville at 7:15 p.m.

The proposed daily round-trip fares are \$5.00 from Roseville and \$4.75 from Sacramento on a weekly commutation basis.

Applicants' balance sheet, Exhibit E attached to the application, dated July 30, 1973 shows total assets of \$106,266, total liabilities of \$11,324.38, and a net worth of \$94,941.62. Operating equipment includes two 39-passenger coaches and one 45-passenger coach.

A protest to the application was filed. Hearing was held before Examiner Banks on November 5, 1973 in San Francisco.

Applicant Merlin Trezona stated that certain persons residing in the Greater Sacramento area and working in San Francisco requested that he provide daily commute service from Sacramento to San Francisco on a charter basis. He refused the request because this kind of service requires a passenger stage certificate. After several discussions with members of the group, the applicants determined that a daily commute service was needed.

Two members of the public appeared voluntarily in support of the applicants. Mr. Malcolm Peattle testified that he had been commuting from Sacramento to San Francisco for a number of years. He stated that he had used protestant Greyhound's service, but had discontinued it in favor of a car pool because of protestant's failure to meet schedules plus the inconvenience and expense of parking in the downtown Sacramento area.

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Mr. Jim See testifying on behalf of applicants submitted a list containing the names of 44 commuters who support applicants. Mr. See testified that he too had used protestant Greyhound, but had discontinued its service in favor of a car pool for reasons of economy and service. He also testified that his attempts to negotiate with protestant Greyhound to provide the service had been unsuccessful.

Mr. M. G. Gragg testified on behalf of protestant and introduced 14 exhibits. Exhibits 3 and 4 are maps of Greyhound routes, Exhibit 5 is a list of the number of Greyhound buses, Exhibit 6 is a job description of a Greyhound driver, Exhibits 7 and 8 are tariff pages effective September 24, 1973 offering special 10-ride commute fares between the points sought by applicants, Exhibit 9 is instructions applicable to 10-ride commute fares, Exhibits 10, 11, and 12 are timetables of Greyhound's service, Exhibit 13 shows July 1973 revenues for one-way and round-trip sales from Sacramento to Oakland and San Francisco, and Exhibit 14 is a schedule of Greyhound drivers' wages.

It is the position of protestant that it has the facilities and capabilities and stands ready and willing to provide the service sought in the application and that the applicants are mere opportunists attempting to "skim off the cream" of the traffic.

It is true that protestant has the experience, the financial ability, and the personnel capable of providing the kind of service applicants propose. However, the service proposed is different from the service protestant offers in that the pickup and discharge points are centrally located to meet the passengers' needs and are designed to reach only a small segment of the population in the Sacramento area. These favorable locations enable passengers to park without charge at the pickup points.

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Additionally, the applicants' buses will bypass the downtown area of Sacramento as well as the Greyhound Depot, thus giving direct and faster service to the eastern area of Sacramento (Arden and Watt Avenues), as well as to Roseville. While protestant operates through buses from Roseville to San Francisco, all of them operate via the Sacramento Depot, with layovers there of from 10 to 50 minutes. Applicant also proposes to serve 2nd and Folsom Streets in San Francisco, a point Greyhound does not serve with its Sacramento buses and a point more convenient to workers in downtown San Francisco than its 7th Street Depot.

Upon consideration of applicants' showing in this matter and the uniqueness of the proposed service, the Commission finds that:

1. Existing passenger stage service for the transportation of the commuting public between Roseville/eastern Sacramento and San Francisco, as proposed herein, is unsatisfactory.

2. A commute service is needed by those members of the public who reside in the eastern Sacramento area and work in San Francisco.

3. The proposed service described herein is scheduled to satisfy the stated public need.

4. Applicants possess the ability, experience, equipment, and financial resources to perform the aforesaid service.

5. Public convenience and necessity require that the service proposed by applicants be established.

6. With reasonable certainty the project involved in this proceeding will not have a significant effect on the environment.

The Commission concludes that the proposed service should be authorized as hereinafter provided.

Applicants are 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

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aspect, such rights extend to the holder a full or partial monopoly of a class of business. 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 Merlin H. Trezona and Mardys R. Trezona, doing business as Trezona's Charter Service, authorizing them to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes set forth in Appendix A, attached hereto and made a part hereof.

2. In providing service pursuant to the authority granted by this order, applicants shall comply with the following service regulations. Failure so to do may result in a cancellation of the authority.

- (a) Within thirty days after the effective date of this order, applicants shall file a written acceptance of the certificate granted. Applicants are placed on notice that if they accept the certificate they will be required, among other things, to comply with the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-Series, and the insurance requirements of the Commission's General Order No. 101-Series.
- (b) Within one hundred twenty days after the effective date of this order, applicants shall establish the authorized service and file tariffs and timetables, in triplicate, in the Commission's office.

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 - (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 authorized service.
 - (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-Series and 98-Series.
 - (e) Applicants shall maintain their 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 their operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

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3. The authority granted herein shall expire six months from the effective date of this order unless sooner canceled, modified, or extended.

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

	Dated at	San Francisco	California, this	5-20
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Appendix A

Merlin H. and Mardys R. Trezona dba Trezona's Charter Service

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CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

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

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.

Issued under authority of Decision No. 82946 dated JUN - 5, 1974 of the Public Utilities Commission of the State of California, on Application No. 54251. Appendix A

Merlin H. and Mardys R. Trezona dba Trezona's Charter Service

LIMITATIONS AND SPECIFICATIONS.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS,

Merlin H. Trezona and Mardys R. Trezona, dba Trezona's Charter Service, by the certificate of public convenience and necessity granted by the decision noted in the margin, are authorized to transport passengers between Roseville and San Francisco and certain designated 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 intersection, 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) Only passengers whose trips are between points on Watt Avenue, or easterly thereof, on the one hand, and points within the City and County of San Francisco, on the other hand, shall be transported.
- (d) Transportation service shall be limited to scheduled times necessary to meet commuter needs on regular working days of persons employed in San Francisco.

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Appendix A

Merlin H. and Mardys R. Trezona dba Trezona's Charter Service

SECTION 2. ROUTE DESCRIPTION.

Commencing at the Roseville Public Parking Lot located at Oak Street and Lincoln in the City of Roseville, thence along State Highway 65 (Vernon Street and Riverside Street), Interstate 80, Watt Avenue, State Highway 50, Interstate 80 to San Francisco via the Oakland - San Francisco Bay Bridge, thence via the Fremont Street off-ramp, Howard Street, Ninth Street, Larkin Street to the corner of Larkin and McAllister Streets.

The return route will originate at Larkin and Hyde Streets, thence on Hyde Street, Eighth Street, Folsom Street, Essex Street, and return to Sacramento and point of origin at Roseville via Interstate 80 and the reverse of the above route.

Issued by California Public Utilities Commission. Decision No. 82946, Application No. 54251.