

Decision No. 83307**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
STEVEN F. COSTA for certificate of
public convenience and necessity to
operate Passenger and Passenger Ex-
press Baggage Service between
Wrightwood, California, and
San Bernardino, California.

Application No. 54731
(Filed March 14, 1974)

O P I N I O N

Steven F. Costa (Costa), an individual proposing to do business as Mountain Stage Lines, seeks a certificate of public convenience and necessity to operate a passenger stage service for the transportation of passengers and their baggage between Wrightwood, California State College at San Bernardino, San Bernardino, Colton, and intermediate points pursuant to Section 1031 of the Public Utilities Code.

Notice of the application was published in the Commission's Daily Calendar on March 15, 1974. No protests have been received. A public hearing is not necessary.

A revised Exhibit A to the application was filed on June 12, 1974 which is received as Exhibit 1. Costa proposes to operate one round trip per day, five days per week. The service is designed primarily for commuters. Costa owns an air-conditioned, 1973 Chevrolet G-30 Beauville Window Van with a seating capacity of eight persons, including the driver, which he proposes to utilize in the service. Seats for three additional passengers can be added when the demand exists. The proposed fares are:

Five day, weekly commute	\$12.50
Single round trip	\$ 3.00
One-way trip	\$ 1.50

It is alleged that 50 to 75 people commute daily from Wrightwood to San Bernardino and Colton. A study conducted by Costa indicated a positive response to the proposed service. It is alleged that a daily passenger load of at least seven people can be attracted from this group. This allegation is based upon the observed tendency of the community towards car pooling, the fuel shortage problem, and a general indication of public interest in the proposed service and fares.

Costa further alleges that there is no passenger stage line serving along the proposed route and that it is not his intention to engage in competition with existing public and private transportation companies serving within the boundaries of San Bernardino and Colton. The nearest passenger stage terminal to Wrightwood is located 27 miles to the north at Victorville. The other nearest terminal is located in San Bernardino, 30 miles to the south. Costa states that he contacted both Greyhound and Continental Trailways and was informed that they do not provide service to Wrightwood. He also contacted the supervisor of the Municipal Transit System serving San Bernardino and Colton, as well as providing him with a copy of the application, and was informed that the transit system had no objections to the proposed service. Costa states that his proposed service is primarily to provide transportation to people who work or attend school in San Bernardino or Colton between the hours of 8:00 a.m. and 5:00 p.m.

Estimated annual operating costs are \$4,815. Estimated annual revenue based upon seven weekly passengers at \$12.50 each, amounts to \$4,550, producing a loss of \$265 for the first year of operations. Costa's balance sheet, as of February 28, 1974, shows that he has \$8,612 in current assets and \$1,164 in current liabilities (not including normal monthly payments for housing, utilities, food, health insurance, and the second installment of real property taxes). Long-term debt amounts to \$22,353. Real and personal property assets

amount to \$35,800. Capital available for the proposed operation is \$20,895.

Findings

1. Approximately 50 to 75 people commute daily from Wrightwood to San Bernardino and Colton.
2. The results of a study conducted by Costa indicate that an average of seven patrons can reasonably be expected to use the proposed service on a weekly basis.
3. The operation will experience an estimated annual loss of \$265 for the first year of operations.
4. Applicant's financial ability is sufficient to sustain the first year operating loss.
5. Wrightwood does not have passenger stage service to San Bernardino or Colton.
6. There is a public need for the proposed passenger stage service and public convenience and necessity require that it be authorized.
7. There is a reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment.

It is concluded that the application should be granted as set out in the ensuing order.

Costa is 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. 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 Steven F. Costa, doing business as Mountain Stage Lines, 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 set forth in Appendix A, attached hereto and made a part hereof.

2. In providing service pursuant to the authority granted by this order, applicant 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, applicant shall file a written acceptance of the certificate granted. Applicant is placed on notice that if he accepts the certificate he 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, applicant shall establish the authorized service 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 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) 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.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 20th
day of AUGUST, 1974.

Leonard L. Steenson
President
William J. Synnott
William J. Synnott
William J. Synnott
William J. Synnott
Commissioners

Appendix A

STEVEN F. COSTA
dba
Mountain Stage Lines

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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. 83307 dated AUG 20 1974
of the Public Utilities Commission of the State of California, on
Application No. 54731.

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

Steven F. Costa doing business as Mountain Stage Lines, by the Certificate of Public Convenience and Necessity granted by the decision noted in the margin, is authorized to transport passengers and their baggage between Wrightwood and San Bernardino and intermediate points over and along the routes described herein, subject, however, to the authority of this Commission to change or modify this authority 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) No passengers shall be transported except those having point of origin or destination in Wrightwood or along State Highway 2, to and including its intersection with State Highway 138 at Mountain Top Junction.

Issued by California Public Utilities Commission.

Decision No. 83307, Application No. 54731.

SECTION 2. ROUTE DESCRIPTIONS.

Route 1. Wrightwood/California State College at San Bernardino

Commencing at the intersection of Cedar and Lark Streets in Wrightwood; then via Lark Street, Spruce Street, State Highway 2, State Highway 138, Interstate Highway 15, State Highway 206 (Kendall Drive) and State College Parkway to California State College at San Bernardino.

Route 2. Wrightwood/San Bernardino - Colton Service Area

Commencing at the intersection of Cedar and Lark Streets in Wrightwood, then via Lark Street, Spruce Street, State Highway 2, State Highway 138, Interstate Highway 15 and State Highway 206, (Kendall Drive) to the San Bernardino-Colton Service Area.

San Bernardino - Colton Service Area
The area bounded by:

Beginning at the intersection of Interstate Highway 15 and Kendall Drive, southeast along Kendall Drive to 40th Street, east along 40th Street to Mountain Avenue, south on Mountain Avenue to 39th Street, east on 39th Street to Del Rosa Avenue, south along Del Rosa Avenue to Foothill Drive, east on Foothill Drive to Sterling Avenue; south along Sterling Avenue to Third Street, west on Third Street to Waterman Avenue, south on Waterman Avenue to Mill Street, east on Mill Street to Tippecanoe Avenue, south on Tippecanoe Avenue to Interstate Highway 10, west on Interstate Highway 10 to Mount Vernon Avenue, north on Mount Vernon Avenue to Highland Avenue (alternate business State Highway 30), east on Highland Avenue to Interstate Highway 15, northwest on Interstate Highway 15 to Kendall Drive.