ALJ/DBJ/fs

Decision 89 12 018 DEC 6 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STAFF CE CALIFORNIA

In the Matter of the Application of:) GREYHOUND LINES, INC. and WESTERN) GREYHOUND LINES CO. to Transfer a) Portion of Operating Authority to) RAZ TRANSPORTATION COMPANY.)

Application 88-08-040 (Filed August 19, 1988)

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<u>OPINION</u>

This is an application in which Greyhound Lines, Inc. (Greyhound Lines) and Western Greyhound Lines Co. (Western Greyhound) seek authority to transfer certain operating rights to Raz Transportation Company (Raz).

Notice of the filing of the application appeared in the Commission's Daily Transportation Calendar on August 23, 1988. There are no protests. On November 7, 1989, Raz submitted proof that it is qualified to do business in California. The matter is now ready for decision.

The Commission makes the following findings and conclusion.

Findings of Pact

1. A public hearing is not necessary in this matter.

2. Greyhound Lines is a Delaware corporation qualified to do business in California.

3. Western Greyhound is an Arizona corporation qualified to do business in California.

4. Raz is an Oregon corporation which is qualified to do business in California. It presently conducts passenger stage operations in Oregon.

5. Greyhound and Western Greyhound are interrelated entities and are in the process of an internal reorganization. Both have joined in this application because it is not clear who will be the

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holder of the operating rights hereinafter considered. For purposes of these findings the rights will be referred to as those belonging to Greyhound.

6. Pursuant to Decision (D.) 55839 in Application (A.) 39394, Greyhound is authorized to conduct operations as a passenger stage corporation between the California/Oregon state line and Crescent City over U.S. Highway 199 (Route Group 8, Route No. 8.02). This route represents the California intrastate portion of an interstate route between Medford, Oregon and Crescent City.

7. Greyhound has agreed to transfer Route No. 8.02 to Raz. No money is to be paid for the transfer. A companion application for the transfer of the interstate operating rights on the same route has been filed with the Interstate Commerce Commission.

8. Greyhound does not consider Route No. 8.02 a viable part of its long-term operations. Raz desires to acquire the route to augment its operations. Acquisition of the route by Raz will assure continuation of service on the route.

9. As of December 31, 1987, Raz had total assets of \$2,446,422. It had operating revenues of \$2,735,604 for the 12 months ending on that date. Raz has approximately 198 pieces of operating equipment.

10. Raz has the ability, including financial ability, to acquire and continue the operations on Route No. 8.02.

11. The proposed transfer of operating rights from Greyhound to Raz would not be adverse to the public interest.

12. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

13. The operating rights authorized to be transferred should be restated in a new certificate of public convenience and necessity.

14. Since there are no protests, the ensuing order should be effective on the date of issuance.

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Conclusion of Law

The application should be granted.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

ORDER

IT IS ORDERED that:

1. By December 31, 1990, Greyhound Lines, Inc. and/or Western Greyhound Lines Co., transfer the operative rights specified in the application to Raz Transportation Company (Raz).

- 2. Raz shall:
 - a. File with the Transportation Division written acceptance of the certificate and a copy of the transfer documents within 30 days after transfer.
 - b. Amend or reissue transferor's tariffs and timetables, state in them when the service will start, make them effective 10 or more days after this order is effective, and allow at least 10 days' notice to the Commission.
 - c. Comply with General Orders Series 101, 104, 157, and 158, and the California Highway Patrol safety rules.
 - d. File an annual report of transferor's operations for the period from the first day of the current year to the date of transfer.
 - e. Maintain accounting records in conformity with the Uniform System of Accounts.
 - f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code § 403 when notified by mail to do so.

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3. If the transfer is completed, on the effective date of the tariffs, a certificate of public convenience and necessity is granted to Raz, authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in attached Appendix PSC-5036 to transport persons, baggage, and/or express.

4. Operations may begin on the date that the Executive Director mails a notice to transferee that its evidence of insurance is on file with the Commission and that the CHP has approved the use of purchaser's vehicles and terminal for service.

5. The certificate of public convenience and necessity granted in D.55839 and restated in Sixteenth Revised Page 15 of Appendix A to D.82551 in Route 8, Item No. 8.02 is revoked on the effective date of the tariffs.

> This order is effective today. Dated DEC 6 1989 at Sa

_____, at San Francisco, California.

G. MITCHELL WILK

President FREDERICK R. DUDA STANLEY W. HULETT JOHN B. OHANIAN PATRICIA M. ECKERT Commissioners

I CERTTIFY THAT THIS DECISION WAS APPROVED BY THE AND E COMMISSIONERS TODATE

Ear,

WESLEY FRANKLIN, Acting Executive Director

Appendix PSC-5036

RAZ TRANSPORTATION COMPANY

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORTATION

PSC - 5036

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

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

Issued under authority of Decision 89 12 018, dated <u>DEC 6 1989</u>, of the Public Utilities Commission of the State of California in Application 88-08-040.

Appendix PSC-5036

RAZ TRANSPORTATION COMPANY

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Raz Transportation Company

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

Raz Transportation Company, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers, baggage, mail and express over and along the routes hereinafter described, subject to the following provisions:

> a) When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.

> b) The transportation of express shall be on passenger carrying vehicles and shall be incidental to the transportation of passengers and shall be limited to a weight of not more than 100 pounds per shipment.

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SECTION 2. ROUTE DESCRIPTIONS.

Route 1. Oregon-California State Line - Crescent City

From the point where U.S. Highway 199 intersects the Oregon-California State Line, over U.S. Highway 199 to Crescent City.

Issued by California Public Utilities Commission. Decision ______ 89_12_018 , Application 88-08-040.

Appendix A (Dec. 55893) Seventeenth Revised Page 15 Cancels Sixteenth Revised Page 15

GREYHOUND LINES, INC.

ROUTE GROUP 8

8.01 - Between the Oregon-California State Line north of Smith River and Santa Rosa:

> From the point where U.S. Highway 101 intersects the Oregon-California State Line, over U.S. Highway 101 to North Santa Rosa Junction, thence over Business U.S. Highway 101 to Santa Rosa.

Authority is granted to serve Fortuna, Garberville, Ukiah and Healdsburg over available highways affording access to U.S. Highway 101.

8.01A - Between the junction of U.S. Highway 101 and West St. Healdsburg Avenue, and the Alexander Valley Bridge :

> From the junction of of U.S. Highway 101 and West St. Healdsburg Avenue, over West St. Healdsburg Avenue to the junction of Alexander Valley road, thence over Alexander Valley Road to the Alexander Valley Bridge, and return over the same route.

Service is authorized to be conducted in Special Operations only.

- 8.02 * (deleted)
- 8.03 Between Fort Bragg and Cloverdale:

From Fort Bragg, over California Highway 1 to junction California Highway 128, thence over California Highway 128 to junction U.S. Highway 101 (Cloverdale).

8.04 - Between Fort Bragg and Leggett:

From Fort Bragg, over California Highway 1 to Junction U.S. Highway 101 (Leggett).

Service is authorized to be conducted in Special Operations only.

No express shall be transported over this route.

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Revised by Decision _____ 89 12 018, Application 88-08-040.