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Decision No. 88185 NOV 29 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application )  
of MEXICOACH, INC., a California )  
corporation, for certificate of )  
public convenience and necessity )  
to operate passengers and their )  
baggage between San Diego, )  
California, and Calexico, )  
California, and return. )

Application No. 56663  
(Filed August 2, 1976)

ORDER MODIFYING DECISION AND DENYING REHEARING

Greyhound Lines, Inc., filed a petition for rehearing of Decision No. 87858 on October 3, 1977. The Commission has considered each and every allegation contained therein and is of the opinion that said decision should be modified. Therefore,

IT IS ORDERED that Page 8, (mimeo) of said decision is hereby modified to read as follows:

utilizing buses whose size will be dependent on the amount of traffic proposed by Mexicoach. Consequently, we find that Greyhound Lines, Inc., will not provide direct service between San Diego, California, and Calexico, California, to the satisfaction of the Commission.

According to the record, the number of annual passengers on Mexicoach's Tijuana run has increased from 6,599 to 104,975 during the period August 1972 to the end of December 1976. Such growth would appear to indicate that Mexicoach is capable of providing adequate service and maintaining its financial integrity. It is axiomatic that poor service would result in declining patronage with accompanying financial insolvency.

Greyhound's senior director of traffic testified that Greyhound has instituted various specialized services in order to attract people who wish to go to Mexico and mentioned providing service from Fresno and Salinas to Calexico, from Los Angeles to El Paso and Juarez, and from San Diego to Tijuana. Such operations would be unaffected by Mexicoach's proposed San Diego to Calexico schedules.

From the record it is clear that although wide freeway lanes might be Greyhound's preferred routing, large 43-passenger buses are being regularly used on roads and highways which are not superior to the roads proposed to be utilized by Mexicocoach.

Findings

1. Mexicocoach presently operates as a passenger stage corporation transporting passengers and their baggage between San Diego and Tijuana under an exemption of Section 203(b) (8) of the

IT IS FURTHER ORDERED that finding No. 4 of Decision No. 87858 is hereby modified to read as follows:

4. The service provided by Greyhound with its economic dependence on related interstate operations and the procurement of passengers at El Centro and its intermediate stops is distinctly different than the service proposed by Mexicocoach. Therefore, the Commission finds that Greyhound Lines, Inc., will not provide direct service between San Diego, California, and Calexico, California, to the satisfaction of the Commission.

IT IS FURTHER ORDERED that rehearing of Decision No. 87858 is denied.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 29<sup>th</sup> day of NOVEMBER, 1977.

Robert Botinard  
President  
William Symons, Jr.  
Vernon L. Sturgeon  
Joseph P. Howell  
Clare L. DeWitt  
Commissioners