

Decision No. 89412 SEP 19 1978**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of GREYHOUND LINES, INC.,)
 for authority to revise, modify and)
 abandon specific routes of Route)
 Group 11, Contra Costa County and to)
 concurrently therewith discontinue)
 related regular route operations.)

Application No. 55135
 (Order Reopening filed
 September 6, 1978)

W. L. McCracken, Attorney at Law, for
 Greyhound Lines, Inc., applicant.
Joseph S. Englert, Jr., Attorney at Law,
 for the City of Lafayette, and
Robert A. Kormel, for himself,
 protestants.

John G. Evans, Attorney at Law, for
 Metropolitan Transportation Commission;
Charles R. Beckwith, for himself; and
Mark L. Kermit, for Board of Supervisors,
 County of Contra Costa; interested
 parties.

Elinore C. Morgan, Attorney at Law, for the
 Commission staff.

SEVENTH SUPPLEMENTAL OPINION

By Decision No. 83674 dated October 29, 1974, Greyhound Lines, Inc. (Greyhound) was authorized to discontinue its Contra Costa County commute service as of June 30, 1975. By subsequent supplemental orders, the last of which was Decision No. 88890 dated May 31, 1978, the Commission has extended the date for the discontinuance of service to October 2, 1978. By Decision No. 89383 dated September 6, 1978, the matter was reopened for the purpose of determining whether the date of discontinuance should again be extended.

Public hearing was held before Administrative Law Judge Daly at San Francisco on September 11, 1978.

During the past four years, the Commission has required Greyhound to continue commute service between Contra Costa County and San Francisco pending full service by San Francisco Bay Area Rapid Transit District (BART).

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During the course of hearing resulting in Decision No. 88233, which extended the discontinuance date to June 30, 1978, Metropolitan Transportation Commission (MTC)^{1/} admitted its responsibility for providing adequate service to Contra Costa County residents who desire peak-hour public transportation service to and from San Francisco. It therefore took the position that it would be prepared to fund, through local transit districts, an adequate alternative service to Greyhound's Contra Costa County peak-hour commute service.

Acting on a letter received from MTC, this Commission, by ex parte Decision No. 88890 dated May 31, 1978, again extended the date for discontinuance of service to October 2, 1978.

The letter set forth findings of the MTC staff's study of alternative service to Greyhound's Contra Costa commute service which are as follows:

1. The BART system presently does have the capacity to adequately accommodate current Greyhound passengers.
2. Actual BART capacity should increase in the future as system reliability improves.
3. The geographic coverage of existing local transit feeder service does provide an adequate replacement for the collection/distribution portion of Greyhound commute service.
4. The service frequencies of these local transit feeder services (generally about 30 minutes) do not provide an adequate replacement for the collection/distribution of Greyhound commute service.

According to MTC, service frequency increases in local transit feeder service could not be implemented before October 1, 1978, and therefore it requested the extension to October 2, 1978. ✓

^{1/} MTC has the responsibility for the overall planning and funding of operations of all public transit districts (including BART) in the nine San Francisco Bay Area counties.

Again, acting on a letter from MTC indicating that adequate alternate service would not be available by October 2, 1978 and upon the receipt of over 50 letters from the public, this Commission reopened this proceeding to determine whether the discontinuance date should be further extended.

The position of MTC as of September 11, 1978 is set forth in Exhibit 26-D and is as follows:

"By your Decision No. 88890 dated May 31, 1978, you defer authorization to discontinue Greyhound Lines, Inc. Contra Costa commute service from June 30, 1978 to October 2, 1978 partly in response to information provided by the Metropolitan Transportation Commission.

"The purpose of this letter is to request that the PUC consider a further deferral.

"The PUC has noted that Greyhound should be relieved of its obligation to provide service consistent with the availability of substitute services. In addressing the provision of substitute services, MTC has contemplated improved BART service to provide the needed trunkline portion of the commute trip, and has worked with cities in Contra Costa County to develop the needed bus feeder service.

"Implementation of improved feeder service is proceeding on schedule. MTC, the cities of Concord and Walnut Creek, and AC Transit have acted in concert to increase the service frequencies of commute hour feeder service to BART in anticipation of discontinuance of Greyhound's commute service. These improved feeder services are expected to be in operation by October as indicated in my May 8, 1978 letter to Mr. Gibson of the PUC.

"There remains the question, however, regarding whether BART's service to Oakland and San Francisco has adequate capacity to absorb current Greyhound commuters. While a case can be made that adequate capacity does exist if BART's commute hour load factor standard of 1.3 is accepted, it would be better to link discontinuance of Greyhound service to an expected improvement in BART's service.

"Such an improvement is predicted by BART in support of its current motion for PUC approval of the SOR modified train control system. The SOR modification is intended to facilitate closer and more reliable train scheduling. We understand that PUC will be giving further consideration to BART's SOR approval request in hearings scheduled to take place during the October 3 - November 2, 1978 period.

"We recognize that BART will not be able to assure a seat for every passenger even after approval of the SOR modification. Nonetheless, we believe that discontinuance of Greyhound commute service should be tied to BART's successful implementation of the SOR modified system. Thus, we would support that part of the petition by the City of Lafayette which requests that discontinuance of Greyhound commute service be tied to successful implementation of SOR train separation."

According to a staff witness, approximately 25 days of hearing have been spent on the SOR modification in Application No. 57727, and the matter is expected to be submitted in November 1978. According to the witness, SOR could be operational by the end of 1978, but between San Francisco and Oakland only. Headways between San Francisco and Oakland could be reduced to three minutes, but headways to outlying points would remain at six minutes. The witness further testified that the installation of the new computers system-wide could be completed sometime next year and at that time the system would permit the handling of additional trains.

Public Witness Testimony

A number of Contra Costa County residents who use the Greyhound service testified in support of extending the commute service. Without exception they found the direct Greyhound service superior in every respect to the service of BART. Each expressed dissatisfaction with the BART service during the peak hours because of overcrowded conditions, delays, breakdowns, and the necessity of using a feeder bus service to and from the BART parking lots.

Several witnesses pointed out that if Greyhound were authorized to discontinue service, all points served by BART would have an alternate transportation service except for those points within Contra Costa County.

Representatives from Contra Costa County, the cities of Walnut Creek and Lafayette, and from the office of State Senator John Nejedly, reaffirmed previously stated opposition to the discontinuance of service by Greyhound pending full service by BART.

Greyhound Service

Greyhound is presently operating 20 commute schedules daily between Contra Costa County and San Francisco. It transports between 600 and 700 passengers daily in each direction between said points, with load factors ranging between 70 and 85 percent, which is below the 90 percent maximum load factor established by the Commission. According to Greyhound, this service is being provided at an annual loss of \$225,575.

Although Greyhound vigorously opposes the extension of the October 2, 1978 date, on September 11, 1978 it filed Application No. 58346 requesting a 59.3 percent increase over the fares that it will establish on September 28, 1978. The increase is assertedly designed to meet out-of-pocket costs by producing \$225,575 in additional revenues.

According to Greyhound it acted on reliance of Decision No. 88890 and proceeded to prepare for cessation of its San Francisco-Contra Costa County local commute and suburban services; notices were posted on September 6, 1978 announcing the discontinuance of operations on October 2, 1978, and plans were made for further distribution on September 11 and 18, 1978; the supervisor's position directly responsible for Contra Costa County operations was eliminated on July 1, 1978 and preparations were underway to reassign drivers; and 21 buses assigned to the Contra Costa service were scheduled to be assigned to profitable operations where they are badly needed.

Van Pools

A representative of Rides For Bay Area Commuters, Inc., a non-profit corporation with grants from the California Energy Commission and MTC, testified that although his organization is not in the transportation business, it offers a possible alternative to the Greyhound passengers. Upon application luxury vans will be leased to groups of 10 to 15 persons living or working within the nine-county San Francisco Bay Area.

After consideration the Commission finds that:

1. Greyhound is presently transporting between 600 and 700 passengers daily during the mid-week commute hours between Contra Costa County and San Francisco.
2. Service is being provided by 20 schedules which are being operated with load factors ranging between 70 percent and 85 percent, which is below the 90 percent maximum load factor established by the Commission.
3. The Greyhound service was to be discontinued on October 2, 1978, but it is questionable whether the existing facilities of BART can accommodate the Greyhound passengers in the event said service is discontinued.

The Commission concludes that Greyhound should continue its Contra Costa commute service until October 16, 1978, and should be permitted to adjust its schedules so that the load factors are more in conformity with the maximum 90 percent load factor previously established by this Commission.

The Commission is mindful that Greyhound has long and patiently borne much of the transportation responsibility that admittedly should have been assumed by BART and MTC. We wish to place MTC on notice that this will be the last extension that will

be granted unless MTC demonstrates its good faith by entering into some form of subsidy arrangement with Greyhound.

Greyhound filed Application No. 58346 on September 11, 1976, requesting a 59.3 percent fare increase above existing fares (including the last wage offset increase) on the commute service routes which are the subject of this proceeding. We intend to process Greyhound's application expeditiously, for Greyhound should not be expected to subsidize service resulting from delays in starting alternative transportation which are beyond its control.

Because it is so close to the discontinuance date, the order should be made effective the date hereof.

SEVENTH SUPPLEMENTAL ORDER

IT IS ORDERED that:

1. Greyhound Lines, Inc. shall continue service between San Francisco and Contra Costa County until October 16, 1978. ✓
2. Greyhound Lines, Inc. shall prominently display in its San Francisco terminal and Contra Costa County depots notices of the reduction or discontinuance of any service as authorized herein. Such notices shall be posted at least fifteen days prior to any reduction or discontinuance of service. ✓
3. Greyhound Lines, Inc. also shall give notice of the discontinuance of its weekday service by placing printed notices on seats of its commute buses on each westbound and each eastbound schedule operated by it at least ten days before termination of commute operation. ✓

WP 4 5. The petitions of ~~the City of Lafayette~~, Robert A. Kormel, and Brigitte M. Trusdale, representative of Concerned Commuters of Contra Costa County, for rehearing on Decision No. 88890 are denied.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 19th day of SEPTEMBER, 1978.

Robert Bateman
President

William J. Quinn

Thomas L. Johnson

Richard W. Hinkle

Clair T. DeBrie
Commissioners