

Decision No. 91206 JAN 8 - 1980

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)
RAYMOND E. TRAHAN, dba GET-A-WAY)
LINES, INC. for a Class "B" certifi-)
cate to operate as a charter-party)
carrier of passengers, Huntington)
Beach (File No. B-7).)

Application No. 58990
(Filed July 12, 1979)

Raymond E. Trahan, for applicant.
Lat J. Celmins, Attorney at Law,
for Greyhound Lines, Inc.; and
James H. Lyons, Attorney at Law,
for Airport Service, Inc. and
Orange Coast Sightseeing Co.;
protestants.
William Austin, for the Commission
staff.

O P I N I O N

Get-A-Way Lines, Inc. (Get-A-Way), a California corporation, seeks authority to operate as a Class "B" charter-party carrier of passengers from its headquarters in Huntington Beach, California. Get-A-Way proposes to provide such service with two 1967 Silver Eagle passenger buses, each with a seating capacity of 46 passengers, excluding the driver.

A duly noticed public hearing was held before Administrative Law Judge N. R. Johnson on November 14, 1979, and the matter was submitted on that date. Testimony was presented on behalf of Get-A-Way by its president, R. E. Trahan, and by its vice president, B. A. Trahan; on behalf of Greyhound Lines, Inc. (Greyhound) by its assistant director of traffic, Henry Mitchell;

and on behalf of Airport Service, Inc. (Airport) by its president, D. B. Boyles, who is also the president of Airport's subsidiary, Orange Coast Sightseeing Company.

According to the testimony of Mr. Trahan, Get-A-Way frequently leases buses, with or without drivers, to various companies for charter-party use when these other companies are unable to provide sufficient buses to meet their demands. Get-A-Way contemplates providing such charter-party service directly rather than leasing its equipment to other companies to provide the service. This witness further testified that the periods of heavy demand, when it is assumed that most of his charter-party business will be generated, usually occur on weekends when his buses are not being used for home-to-work commuter service between specific points in Gardena, Long Beach, and Westminster, on the one hand, and the San Onofre nuclear plant, on the other hand.

During the hearing, it was noted that the certificate of public convenience and necessity to operate as a passenger stage corporation was issued to R. E. Trahan, an individual, doing business as Get-A-Way Lines, and that it was not transferred to Get-A-Way Lines, Inc. at the time of incorporation, July 1, 1978. Furthermore, it was not known whether the title to the two buses, even though listed as corporation property in Get-A-Way's 1978 annual report, was in the name of R. E. Trahan, the individual, Get-A-Way Lines Company, or Get-A-Way Lines, Inc. The same is true of the insurance for the passenger stage operations. The order that follows will provide for the clarification of these apparent discrepancies.

According to the record, as of December 31, 1978, Get-A-Way had \$82,426 of assets and current liabilities of

\$15,462, advances payable, equipment, and other long-term obligations of \$29,801, corporate stock of \$30,708, and earned surplus of \$6,455.

Testimony presented on behalf of Greyhound indicated that:

1. Greyhound possesses a Class "A" certificate to operate as a charter-party carrier of passengers.
2. Greyhound has sales offices in many of the communities within Get-A-Way's proposed service area.
3. Greyhound has 1,747 intercity buses licensed in California.
4. Greyhound actively solicits charter-party passengers.
5. Greyhound has numerous charters originating within Get-A-Way's proposed service area that would be subject to diversion should the requested permit be granted.
6. There is no need for additional charter-party operators to be granted charter-party permits.

Testimony presented on behalf of Airport indicated that:

1. Airport possesses 87 coaches suitable for charter-party service.
2. Forty-nine of these buses, including eight used for standby, are required daily, leaving 38 buses available for charter-party service.
3. Airport advertises the availability of charter-party buses and actively solicits such business.
4. There is no need for additional charter-party operators to be granted charter-party permits.

The bases for Greyhound's and Airport's joint allegation that there is no need to grant additional charter parties for the area in question is that both Greyhound and Airport generally have buses available for charter-party service and

the granting of the requested permit could result in the diversion of traffic. It is noted, however, that at this time companies other than Greyhound and Airport are leasing buses from Get-A-Way to accommodate peak usage. It is axiomatic that any diversion of passengers from Greyhound and/or Airport is essentially unchanged whether Get-A-Way provides the charter-party service directly or through another company. In addition, it should be noted that this nation's antitrust laws and policies are premised on the understanding that competitive service generally results in a superior overall level of service to the public. In the area of charter-party bus operations, competition will have a direct bearing on the quality of overall treatment afforded passengers, rates, scheduling, equipment condition, and operational innovation generally. California needs an influx of vigorous, innovative thinking and application if publicly acceptable alternatives to private auto use are to fully develop. We state now that competition in the area of charter-party bus operations is a most desirable goal. Consequently, a policy of fostering limited competition under regulation would have a beneficial effect for the public interest in that it would tend to lead to development of a territory and improved methods, forms, or routes of transportation and would best meet special requirements of segments of the general public. Furthermore, it would tend to promote good service and to hold down fares. We believe that the competition of ideas and results is healthy and, accordingly, we look to the circumstances of each application to determine whether public interest requires granting the requested authorization. The granting or withholding of charter-party permits is a legislative act resting within our discretion.

Findings of Fact

1. Get-A-Way proposes to provide service as a charter-party carrier of passengers from its headquarters in Huntington Beach.

2. Get-A-Way is engaged as a passenger stage corporation transporting passengers between the San Onofre power station, on the one hand, and specific points in the cities of Gardena and Long Beach, on the other hand.

3. Get-A-Way plans to conduct its charter-party operations when the buses are not being operated in accordance with its passenger stage certificate.

4. Get-A-Way has the ability, experience, equipment, and financial resources to perform the proposed service.

5. Public convenience and necessity require that the service proposed by Get-A-Way be established.

6. Competition between Get-A-Way and other certificated charter-party carriers, to the extent it will exist, will have a beneficial effect for the public interest in that it will lead to the development of the territory served and will promote good service.

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

8. All assets, authorizations, certificates, insurance, etc., that presently are part of the operations of Get-A-Way Lines Company and/or Raymond E. Trahan, should be transferred to Get-A-Way Lines, Inc.

Conclusions of Law

1. The application should be granted as set forth in the ensuing order.

2. An appropriate application should be filed to provide for the transfer of all assets, authorization, certificates, insurance, etc., that are presently held by Get-A-Way Lines Company to Get-A-Way Lines, Inc.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity, to be renewed each year, shall be issued to applicant, Get-A-Way Lines, Inc., authorizing it to operate as a Class "B" charter-party carrier of passengers, as defined in Section 5383 of the Public Utilities Code.

2. Such authorization is limited to the pickup of passengers within a radius of 40 air miles from the applicant's home terminal in the city of Huntington Beach.

3. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulation. Failure to do so may result in a cancellation of the operating authority.

Applicant shall be required, among other things, to comply with and observe the safety rules administered by 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. 115-Series.

4. Within sixty days after the effective date of this order, Get-A-Way Lines, Inc. shall file an appropriate application under

Section 851 of the Public Utilities Code to transfer all assets, authorizations, certificates, insurance, etc., that are presently retained by Get-A-Way Lines Company to Get-A-Way Lines, Inc.

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

Dated JAN 8 - 1980, at San Francisco, California.

John E. Guyer
President

William L. Stinson

Richard W. Howell

Clair J. Delfino

Thomas J. [unclear]
Commissioners