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Decision No.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application) of TRAILWAYS, INC., a corporation,) for an order amending restrictions) as to local service as a passenger) stage corporation over presently) authorized routes between Los Angeles) and San Bernardino, California.)

Application No. 60045 (Filed October 29, 1980)

<u>o p i n i o n</u>

Trailways, Inc. (Trailways), a corporation duly organized under and pursuant to the laws of the State of Delaware, is engaged in business as a passenger stage corporation as defined in Sections 225 and 226 of the Public Utilities Code. It serves between all points and places described in the restated certificate of public convenience and necessity issued in D.86517 dated October 13, 1976 and D.86711 dated December 7, 1976 in A.54272 and A.55211. This certificate of public convenience and necessity authorizes Trailways to engage in passenger stage corporation operations between, among other places, Los Angeles and San Bernardino, California, and intermediate points, over each of several routes and combinations of routes. Said authorized operations between Los Angeles and San Bernardino and intermediate points are, however, subject to the following restriction contained in Section 1, Item 3(d) of said certificate: "3. Passengers and their baggage shall not be transported locally between the following points:"

"(d) Between Los Angeles and San Bernardino and intermediate points over any routes." By this application, Trailways seeks authorization pursuant to Sections 1031 through 1036 of the California Public Utilities Code to eliminate this restriction from its certificate.

Trailways proposes that should the requested authorization be granted, it would provide service to those points authorized by the removal of the restrictions at fares and rates computed in accordance with presently effective mileage scale rates for existing services. In addition, the rules and regulations governing the application of said fares and rates would be the same as those which now apply to existing services.

Trailways presently maintains passenger equipment deficated to the performance of service between Los Angeles and other authorized points south and east thereof which is not being utilized to capacity. The unused capacity of such equipment is alleged to be adequate to provide the increased service that would result if the authorization requested is granted.

According to the application, the original purpose of the restriction against local service between Los Angeles and San Bernardino was to protect the interests of an interurban rail passenger service, which, at that time, was operating at a loss between Los Angeles and San Bernardino and intermediate points. This interurban rail service has been out of existence for a number of years and has been supplanted, in part, by Public Transit District commuter bus service and, in part, by private automobile transportation. The restriction for Trailways as to local service between

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Los Angeles and San Bernardino is the same as for its affiliate company, American Buslines, Inc., which has filed a concurrent application requesting the elimination of this restriction from its certificate.

Trailways justifies its request on the following bases:

1. Trailways presently serves all of the involved points in both intrastate and interstate traffic. Authorizing the requested removal of the restriction will facilitate completion of the transportation of long-line passengers who, because of their unfamiliarity of the effects of this restriction, sometimes travel beyond their intended destination.

2. Local transit services afford little, if any, service between Los Angeles and San Bernardino during late night and early morning hours. Granting the requested authorization will permit Trailways to provide such service during those periods when the lower cost, local transit lines are not in service.

3. Removal of the restriction will increase Trailways' load factor and permit the provision of local transportation service without any increase in fuel consumption.

Trailways alleges that granting the requested authorization will have no adverse impact on the environment. In addition, Trailways claims that because of the fare differential between Trailways and local transit systems, there will not be any significant diversion of passengers from the local transit systems to Trailways.

Notice of the application was listed on the Commission's Daily Calendar on November 5, 1980. Copies of the application were served on Greyhound Lines, Inc., Omnitrans, Southern California Rapid Transit District, the counties of Los Angeles and San Bernardino, and the cities of Los Angeles, Pasadena, El Monte, Azusa, West Covina, Pomona, and San Bernardino. No protests to granting the application have been received. A public hearing is not necessary. Given Trailways' readiness to offer the proposed service, and the public benefit to follow, the order which follows should be effective immediately.

Pindings of Fact

1. The original purpose of the restrictive clause precluding Trailways from providing local service between Los Angeles and San Bernardino was to protect the interests of an interurban rail passenger service that has long ceased to exist.

2. The restrictive clause is the same clause in effect for Trailways' affiliate, American Buslines, Inc., which has concurrently filed an application to effect its elimination.

3. Granting the requested authorization to eliminate the restrictive clause could (a) facilitate completion of the transportation of long-line passengers unfamiliar with the effect of the clause, (b) provide local service at times such service is not provided by local transit lines, and (c) increase Trailways' load factor resulting in the provision of local transportation service without increased fuel consumption.

4. Public convenience and necessity require that the authority requested by Trailways be granted.

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

6. A public hearing is not necessary. Conclusion of Law

The Commission concludes that the authority requested by Trailways to remove the certificate clause restricting local service between Los Angeles and San Bernardino should be granted.

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IT IS ORDERED that:

Appendix A of Decision No. 86517 in Applications
 Nos. 54272 and 55211 is amended by incorporating First Revised
 Page 3, attached hereto, in revision of Original Page 3.

2. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure to do so may result in the 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 it accepts the certificate it will be required, among other things, to comply with 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. 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.

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- (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 its 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 its 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 <u>MAR 3 1981</u>, at San Francisco, California.

Commissioners

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Appendix A (Dec. 86517) *TRAILWAYS, INC.

First Revised Page 3 Cancels Original Page 3

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS AND SPECIFICATIONS. (continued)

- 3. Passengers and their baggage shall not be transported locally between the following points:
 - (a) Between San Francisco and Hayward and intermediate points.
 - (b) Between San Francisco and the junction of Interstate Highway 80 with California State Highway 113 near Davis, and intermediate points.
 - (c) Between Los Angeles and San Fernando and intermediate points.
 - *(d)
 - (e) Between points in one restricted territory as designated and described in Restriction

 (c) above, on the one hand, and points in another restricted territory as designated and described in said Restriction (c).
- Note: The term "locally" as used in connection with these restrictions does not apply to the movement of passengers and their baggage from points inside a restricted area to points outside that restricted area or to the movement of passengers and their baggage from points outside a restricted area to points inside said restricted area.

Issued by California Public Utilities Commission. *Amended by Decision No. $\underline{\$2776}$, Application No. 60045.