

Decision No. 13843

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of A. B. WATSON, transacting business under the fictitious name and style of CROWN STAGE LINES, for certificate of public convenience and necessity to operate passenger, baggage and express service between Huntington Beach and Long Beach.

ORIGINAL

Application No. 9771

Clyde Bishop and L. W. Blodgett for applicant.
E. E. Morris, O. A. Smith and H. O. Marler for
Pacific Electric Railway, protestant.
T. A. Woods for American Railway Express,
protestant.

BY THE COMMISSION:-

O P I N I O N

A. B. Watson, transacting business under the fictitious name and style of Crown Stage Lines, has applied to the Railroad Commission for a certificate of public convenience and necessity to operate passenger, baggage and express service between Huntington Beach and Long Beach.

Public hearings were held by Examiner Williams at Huntington Beach.

Applicant herein seeks certificate of public convenience and necessity providing for an extension of its service between Santa Ana and Huntington Beach to Long Beach. At the original hearing applicant asked permission to amend its application requesting permission to operate as through cars automobile stages from the city of

Riverside through Santa Ana to Huntington Beach and thence from Huntington Beach to Long Beach and authority to connect up its separate operations, as now authorized and as herein sought, in a continuous through line from Riverside to Long Beach. In the amended application applicant also withdrew request for permission to transport express, and packages originating in Huntington Beach or Long Beach or intermediate points as requested originally and upon this amendment by applicant protest of American Railway Express was withdrawn.

Applicant has recently acquired under Decision No. 13475 the local line between Riverside and Santa Ana heretofore operated by J. C. Best. Applicant also operates a line from Santa Ana to Long Beach by way of Garden Grove, Westminster and Seal Beach. Permission to connect with through service the line from Riverside to Santa Ana with the operation by way of Westminster is also sought in the amended application.

Applicant proposes to operate two through schedules daily between Riverside and Long Beach via Santa Ana, leaving Riverside at 8:50 A.M. and 2 P.M. and leaving Long Beach at 6:57 A.M. and 5:57 P.M. giving a running time of three hours and twenty minutes between Long Beach and Riverside by way of Huntington Beach and Seal Beach. An alternate schedule leaving Long Beach at 9:30 A.M. and 1:15 P.M. and leaving Riverside at 11:00 A.M. and 4:20 P.M. is also provided by way of Garden Grove and Westminster. It is thus proposed to give four through round trips daily between Riverside and Long Beach.

Schedules of fares are offered in Exhibit "A" attached to the application and applicant proposes the use of safety coaches which equipment is now generally in use in his various operations.

An important part of his application is the extension sought between Huntington Beach and Long Beach. This met opposition on the part of the Pacific Electric Railway which has long maintained rail service between termini as a part of its Los Angeles - Newport - Balboa through line. Recently a new concrete state highway, connecting termini and paralleling the tracks of the railway company line, has been opened to the public and offers ideal conditions for stage operation.

In support of its application many witnesses were introduced to show a public demand for this extension. These witnesses were from Huntington Beach, Talbert, Wintersburg and points along applicant's present service between Santa Ana and Huntington Beach. It was their testimony that frequently they wished to travel to Long Beach and preferred a through stage service to a change at Huntington Beach to cars of protestant Pacific Electric Railway. These witnesses complained that the service maintained by this protestant is inadequate and inconvenient because of the transfers necessary either at East Long Beach or at North Long Beach in order to reach the business portion of the city of Long Beach. Testimony of these witnesses was not impressive that there is either a large population to be served by such an operation or that there would be any considerable use of the service.

Witnesses were also introduced from Huntington Beach and from Sunset Beach, Anaheim Landing and other intermediate points between Huntington Beach and Long Beach, to show a necessity for additional service to and from Long Beach. The main complaint of all these witnesses was that the service into Long Beach was not so objectionable as the return service. Witnesses described how they made good connections with the inbound local cars at the points of transfer to Long Beach but on returning failed to connect with the less frequent service on the Los Angeles-Huntington Beach service necessitating waits sometimes of an hour or more for these cars, as the only service maintained by protestant Pacific Electric Railway between Long Beach and Huntington Beach is the through service alluded to. Similar complaint was made by several witnesses from Huntington Beach.

The comparison of the service offered by applicant with that offered by the Pacific Electric Railway shows that applicant offers six schedules daily between Huntington Beach and Long Beach beginning at 7:26 in the morning and ending at 7:40 in the evening. Operation from Long Beach to Huntington Beach has seven schedules beginning at 6:57 in the morning, the last car leaving Long Beach at 10:30 P.M. This provides an operation practically every two hours from each terminal.

Protestant Pacific Electric Railway provides fourteen services from East Long Beach and North Long Beach to Huntington Beach and vice versa beginning at 5:50 A.M. at North Long Beach and 4:56 A.M. at East Long Beach and with the last car leaving East Long Beach at 12:29 A.M. and leaving Huntington

Beach at 11:36 P.M. The headway varies from one hour and five minutes in peak travel hours to two hours and twenty minutes at other times. Except for variations in the time of the arrival and departure it is apparent that the service offered by applicant is not an improvement in quantity over the existing service. The benefit offered by applicant's service is the through direct transportation of passengers from Huntington Beach to Long Beach to the business portion of the city without transfer and this seemed to be the burden of all the witnesses produced by applicant.

Protestant Pacific Electric Railway through its traffic passenger manager, O. A. Smith introduced exhibits and testimony concerning the operation now established and which protestant regards as adequate. It was Mr. Smith's testimony that through service to Long Beach had been planned for a long time but that recent decline in production in the Huntington Beach oil field had reduced traffic to a point where a through service seems an unprofitable venture. He also testified that a physical connection has now been made at Seal Beach between the main line operating to Huntington Beach and the lines operating into the City of Long Beach which would make through service practicable but in his judgment would be unprofitable and that such through service would not be established unless required by this Commission.

Exhibits filed by this protestant included a traffic check (Protestant's Exhibit No.2) made on April 16th, 1924 showing the passengers destined to points other than Long Beach on this line showed that fifty passengers were transported from Long Beach to Huntington Beach and intermediate points of whom

fourteen boarded the Huntington Beach car at Willowville, thirty five at East Long Beach and one at Seal Beach. In opposite direction forty eight passengers boarded the cars at Huntington Beach and points intermediate to Seal Beach of whom thirty three transferred to Long Beach cars at East Long Beach and fifteen at North Long Beach. This did not include conductors cash fares. Another exhibit (Protestant's Exhibit No.3) shows that the revenue from business between Huntington Beach and Long Beach during March, 1924 was \$352.32 in cash fares and \$258.24 from commutation books. Another exhibit (Protestant's Exhibit No.4) showed the monthly revenue of the line (including all the business between Los Angeles, Huntington Beach and Newport Beach) from March, 1922 to and including February, 1924. The significant feature of this exhibit is that the apex of traffic is shown to be in August, 1923 when 77,909 passengers were transported and a revenue of \$30,000.39 earned. The average for a year previous had not dropped below 50,000 passengers a month. From August, 1923 to February, 1924 a gradual decline of both passengers and revenue is shown, until in February 44,365 passengers were carried (the smallest quantity in two years) and the earnings reduced to \$16,151.83 (also the smallest in two years). This was explained by Mr. Smith to be due to the falling off of activity in the oil fields adjacent to Huntington Beach and it was his testimony that even with the best earnings possible the road was still unprofitable. Mr. Smith admitted that there had been some laxity in not providing for positive connecting schedules with the Long Beach local service and that probably such positive connection,

together with a fair amount of prudence on the part of the passengers in boarding local cars to meet these connections, would obviate much of the complaint.

It appears from the testimony in this proceeding that there does exist a need for better transportation facilities between Huntington Beach and Long Beach than is now provided by protestant Pacific Electric Railway. The record is not convincing, however, that the remedy is the establishment of a competitive stage operation paralleling the entire trackage of fourteen miles at a time when this important rail service is at the low ebb of patronage and revenues. From all evidence before us it appears that the situation can be best met by the establishment of a through service between Huntington Beach and Long Beach by protestant Pacific Electric Railway and this service may be established by using a connection recently installed at Seal Beach and by the operation of a sufficient number of through cars between Huntington Beach and Long Beach utilizing this connection to meet public requirements. From the testimony it appears that there has been considerable increase in population in the past four or five years at all the points served by protestant and that it is probable a through rail service would receive much better support than the transfer service now established. This, we believe, would adjust the service to the needs of the public, eliminate just complaint now existing and relieve this protestant of the necessity of meeting competition of a stage operation.

In reaching this conclusion we are not unmindful of the advantages, both as to operation and equipment, proposed by

applicant but a long familiarity with the operation of protestant between termini leads us to conclude that it is incumbent on protestant to provide adequate service and that it should be required so to do. Should protestant fail to establish such through service then the commission may reconsider application herein.

Upon the record, therefore, as indicated above, we find as a fact that public convenience and necessity do not require at this time the operation proposed by applicant between Huntington Beach and Long Beach and that the application therefor should be denied without prejudice. We also find as a fact from the record herein that public necessity does require the establishment by protestant Pacific Electric Railway of a through service adequate as to equipment and schedules between termini and the order herein will direct this protestant to establish such service.

Applicant's request for a certificate for through service from Riverside to Long Beach via Huntington Beach is of course included in the denial of a certificate of the right to operate between these termini. Exhibit filed by applicant (Applicant's Exhibit No.1) showed that for the twelve months ending March, 1924 applicant had transported between Riverside and Long Beach by transfer at Santa Ana and over its line via Westminster 4,860 passengers in both directions, an average of slightly over thirteen daily. It was the testimony of L. E. Shute, manager of applicant's lines and R. C. Best, manager of applicant's Riverside branch that a majority of these passengers complained of the transfer necessary at Santa Ana. Proof as to the necessity of a through service between Riverside and Long Beach via Westminster is found only in the testimony of two of appli-

cant's officers and is not sufficient in our judgment to justify the grant at this time.

ORDER

A.B.Watson doing business under the fictitious name of the Crown Stages has made application to the Railroad Commission for a certificate of public convenience and necessity to operate passenger, baggage and express service between Huntington Beach and Long Beach and to operate through stages between Riverside and Long Beach via Huntington Beach and via Westminster, a public hearing having been held, the matter having been duly submitted and now being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity do not require the operations proposed by applicant herein at this time and that the application herein be denied without prejudice.

IT IS HEREBY ORDERED that the above entitled application be, and the same hereby is denied.

IT IS FURTHER ORDERED that protestant Pacific Electric Railway herein having opposed the application herein on the ground that its service is now adequate and sufficient and the Commission finding as a fact herein that said service is not adequate or efficient but that same may be easily made so by the establishment of through service between Huntington Beach and Long Beach,

IT IS HEREBY FURTHER ORDERED that protestant Pacific Electric Railway within thirty (30) days from date hereof file with this Commission its fares and schedules for a through service

between Huntington Beach and Long Beach, via Seal Beach, and that said service be established within sixty (60) days after date hereof.

Dated at San Francisco, California this 25th day of July, 1924.

C. C. Sawyer

H. K. Brundige

Dwight Martin

J. T. Whitney
Commissioners.