

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of LAKE TAHOE RAILWAY & TRANSPORTATION COMPANY, for certificate of public convenience and necessity to operate an Auto Stage Line for the transportation of persons, for compensation, between Tahoe City and Pomins, California, and intermediate points.

Application No. 10931

In the Matter of the Application of A. L. RICHARDSON, doing business under the fictitious name of PIERCE ARROW STAGE, for certificate of public convenience and necessity, authorizing the consolidation of all operative rights now owned by him.

Application No. 10936

In the Matter of the Application of A. L. RICHARDSON doing business under the fictitious name of PIERCE ARROW STAGE, for certificate of public convenience and necessity, authorizing the handling of packages on automobile stages between Sacramento, Tahoe City and intermediate points.

Application No. 10875

In the Matter of the Application of CASSIDY & WORD for certificate of public convenience and necessity to operate passenger service between Reno, Nevada, State Line, Truckee and Sacramento.

Application No. 10469

- A. B. Roehl, for Applicant in App. 10931, and Protestant in Apps. 10936 and 10875;
- Gwyn H. Baker for Applicants in App. 10936 and 10875, and Protestants in App. 10931 and App. 10469;
- W. M. Kearney for Applicant in App. 10469;
- E. Stern for American Railway Express Co., Protestant in Apps. 10936 and 10875;
- H. H. Gogarty for Southern Pacific Company, Protestant in Apps. 10936, 10875 and 10469;
- W. A. Latta for Eldorado Motor Trans. Co., Protestant in App. 10875.

BY THE COMMISSION:

O P I N I O N

Lake Tahoe Railway and Transportation Company, a corporation, has applied to the Commission (Application No. 10931)

for a certificate of public convenience and necessity authorizing the operation of an automobile stage line for the transportation of passengers between Tahoe City and Pomina, and intermediate points including Tahoe Pines, Homewood, McKinney's, Moana Villa and Tahoma, all of which are resorts situated upon the shores of Lake Tahoe. Applicant alleges that it operates a steam railroad between Truckee and Tahoe City, where it conducts a hotel and summer resort known as Tahoe Tavern, and in conjunction with its railroad operates a steamship line around Lake Tahoe. It is applicant's intention to coordinate the stage service with its rail service and that of Southern Pacific Company; more particularly applicant desires to provide connections with a fast daylight train from San Francisco to be operated by Southern Pacific Company, as well as to permit better connections for passengers travelling east of Truckee. Two round trips daily will be operated, the proposed time schedules and fares being shown in exhibits attached to the application. The equipment to be devoted to this service will consist of two Cadillac 7-passenger automobiles, with such other vehicles as the traffic may require. Applicant proposes to operate this service during the months of June, July and August only, when the resorts along the route generally are open for business.

A. L. Richardson, doing business under the fictitious name of Pierce Arrow Stage, has petitioned the Commission (Application No. 10936) for a certificate of public convenience and necessity authorizing the consolidation and unified operation of certain passenger operative rights, and permitting the transportation of merchandise on passenger stages throughout the system. The passenger routes sought to be consolidated

are thus described:

(a) Between Sacramento and Tallac, Lakeside and Fallen Leaf and intermediate points via Placerville;

(b) Between Lakeside and Tahoe City, and intermediate points, viz., Bijou, Al Tahoe, Grove, Tallac, Emerald Bay, Meek's Bay, Pomins, Moana Villa, McKinney's and Homewood;

(c) Between Diamond Springs Cross Roads and Diamond Springs and intermediate points;

(d) Between Placerville and Camino and intermediate points.

It is alleged that the unified operation of these routes will eliminate transfers of passengers now necessary, and will result in more economical use of equipment. The privilege of carrying express is sought primarily to serve the needs of those requiring expedited service, such as emergency shipments of automobile parts and perishable food supplies. By a stipulation made during the hearing the application was amended so as to limit the weight of express shipments to thirty pounds, excepting automobile parts as to which the maximum weight will be one hundred pounds.

The same applicant has also petitioned the Commission (Application No. 10875) for a certificate of public convenience and necessity authorizing the transportation of merchandise on its passenger stages over all of the following routes; (a) between Sacramento and Tallac via Placerville; (b) between Lakeside and Homewood and intermediate points; and (c) between Diamond Springs Cross Roads and Diamond Springs and intermediate

points. In part, this application seeks the same express privileges as those described in Application No. 10936, and is based on substantially the same grounds. The stipulation limiting the weight of express shipments applies also to this application.

Cassidy & Word, a copartnership, consisting of S. C. Cassidy and Frank Word, have applied to the Commission (Application No. 10469) for a certificate of public convenience and necessity authorizing the operation of an automobile stage line for the transportation of passengers and baggage between the California-Nevada State Line near Floriston, Truckee, Tahoe Tavern, McKinney's, Meek's Bay, Emerald Bay, Tallac, Al Tahoe, Bijou and the California-Nevada State Line, in connection with a proposed interstate automobile stage service to be operated from Reno, Nevada, which will make a complete circuit of Lake Tahoe. The certificate sought relates only to operations within the State of California. Applicants allege that this service is required to meet the needs of transcontinental tourists desiring to visit Lake Tahoe, and will permit them to make the round trip in one day.

A public hearing was held before Examiner Austin at Sacramento on April 13, 1925, when the foregoing applications were consolidated for the purpose of receiving evidence and for decision; evidence was offered, the matters were duly submitted, and they are now ready for decision.

A. L. Richardson, doing business as Pierce Arrow Stage, protested the granting of Application No. 10931; American Railway Express Company, Lake Tahoe Railway & Transportation Co., and Southern Pacific Company protested the granting of Appli-

cations Nos. 10936 and 10875; El Dorado Motor Transportation Company, Inc., protested the granting of Application No. 10875; and Southern Pacific Company and A. L. Richardson, doing business as Pierce Arrow Stage, protested the granting of Application No. 10469.

With respect to the application of the Lake Tahoe Railway and Transportation Company, its General Manager, Charles W. Nelson, testified that the stage service would constitute an extension of the present railroad line between Truckee and Tahoe Tavern, the stage serving points along the east shore of the lake as far as Pomins, distant eight miles from the Tavern. The Southern Pacific Company, he stated, intends to put on a fast through daylight, first-class train, leaving San Francisco early in the morning and arriving at Truckee at 5:00 p.m., reaching Tahoe Tavern via applicant's rail line at 6:05 p.m. Passengers desiring to visit lake resorts as far as Pomins will be enabled by this stage service to reach their destinations that night. Also the stage line will afford quick connections from these resorts for those desiring to go to Reno and eastern points. This service will be more expeditious than that now given by the boat line serving the lake resorts and now operated in connection with the railroad. A seasonal operation is contemplated during the months of June, July and August only when about 1000 people will be visiting these resorts. To perform this service applicant will use two 7-passenger Cadillac automobiles and such other equipment as the business may require. This witness testified that the Pierce Arrow stage line now operating from Sacramento via Placerville to Tahoe Tavern and serving the resorts along the west side of the lake, could

not handle this traffic, inasmuch as its present and proposed schedule will not permit through passengers from San Francisco to reach their destinations in one day, it being necessary for them to stop over at the Tavern for one night.

It appears from the schedule proposed by the Pierce Arrow Stage Line that its stages will leave Tahoe Tavern at 7:00 a.m., there being no evening service; according to applicant's schedule its stages will leave the Tavern at 1:00 p.m. and 7:00 p.m., thus enabling through passengers to reach their destinations without any stop-over at the Tavern.

By Applications Nos. 10936 and 10875, A. L. Richardson, doing business as Pierce Arrow Stage, seeks a consolidation of certain operative rights and also the privilege of carrying express.

The operative rights owned by applicant and sought to be consolidated are described as follows:

(1) Passenger service between Sacramento and Tallac, Lakeside and Fallen Leaf and intermediate points via Placerville, based on rights acquired prior to May 1, 1917, and defined by tariffs heretofore filed with the Commission.

(2) Passenger service between Lakeside, Tahoe City and intermediate points as follows: Bijou, Al Tahoe, Grove, Tallac, Emerald Bay, Meek's Bay, Pomins, Moana Villa, McKinney's and Homewood. A certificate for this route was granted to W. D. Alexander, doing business as Carson-Tahoe Transportation Company, by the Commission's Decision No. 11868 on Application No. 8649, and thereafter this operative right was transferred to applicant pursuant to this Commission's Decision No. 13885 on Application No. 10280.

(3) Passenger and baggage service between Diamond Springs Cross Roads and Diamond Springs and intermediate points, for which a certificate was granted to applicant by this Commission's Decision No. 14535 on Application No. 9534, which decision prohibited him from merging this route with his other lines, but permitted the publication of through and joint rates.

(4) Passenger and baggage service between Placerville and Camino and intermediate points for which a certificate was granted to John A. Dugan by this Commission's Decision No. 8782 on Application No. 6379, and the operative right was thereafter transferred to applicant pursuant to this Commission's Decision No. 14591 on Application No. 10832, the applicant being therein prohibited from merging or uniting this line with his other operative rights.

A representative of this applicant, Mrs. Cora Richardson, testified that during the summer season the Pierce Arrow Stage Line operated between Sacramento and Lake Tahoe via Placerville, serving 12 resorts with a capacity of about 1200 people. At the height of the season as many as 80 passengers daily were handled from Sacramento, necessitating the operation of four or more stages each accommodating from 20 to 30 passengers. At Placerville the passengers are distributed and loaded into stages according to their respective destinations, there frequently being sufficient passengers for one resort or group of resorts to fill one stage, but because the line north of Tallac is a distinct operative right, passengers destined to those points cannot be handled in a through stage, it being necessary to transfer them to another stage at Tallac although frequently there are more than sufficient passengers to fill one stage. This results

in great inconvenience to and causes much complaint among the passengers. In addition, the delay resulting from the transfer at Tallac prevents passengers from reaching their destinations in time for dinner, thus causing much complaint among the resort owners who have urged applicant to render a more expeditious service. To accommodate traffic north of Tallac, applicant is obliged to maintain three stages at that point. By permitting a through service from Placerville this equipment will be released and can be used upon other parts of the system resulting in a considerable saving. Applicant does not propose to operate any different schedule than that shown in the application, but if necessary will perform a local service on the same schedule.

The testimony of this witness was corroborated by that of a resort proprietor at Moana Villa, accommodating from 100 to 125 people, who stated that a through stage service was preferable to the rail and boat line.

Regarding the Diamond Springs service, a representative of applicant testified that at Diamond Springs was situated a box factory of the California Door Company, employing from 75 to 80 men, most of whom live at Placerville, distant 5-1/2 miles from Diamond Springs. Most of these employees are compelled to use private automobiles as a means of transportation, since applicant's present stage service does not get them to their work in time. Many requests for the establishment of a through service have been received. Applicant, if permitted, will install a through service from Placerville which will accommodate these employees and enable them to travel to and from their work.

As to the Camino line, this witness testified that although this line parallels applicant's present line from Placerville

to Tallac, it is and must be operated as a separate and distinct unit, as required by the terms of the certificate granting this operative right. A considerable saving will be effected if applicant is permitted to link up this system with his other lines and merge it into the general system.

With respect to the proposed express service, it appears that until recently applicant carried express on passenger stages, believing that he had the right to do so because of operations conducted prior to May 1, 1917. When it was discovered that this right had not been preserved by tariffs properly filed with the Commission, applicant discontinued this service on advice of counsel, and subsequently filed this application. Mrs. Cora Richardson testified that applicant had frequently been requested to transport small packages, principally emergency shipments of medicines and automobile parts, the packages averaging about ten pounds in weight and never exceeding one hundred pounds. There is ample space for express packages in the baggage racks of passenger cars. This service will be more expeditious than that afforded by the American Railway Express Company. Orders given on the day of shipment before the stage departs will be delivered during the same day; by the American Railway Express delivery cannot be made before the following day. Substantially the same testimony was given by another employee of applicant, Miss Emma L. Brown, connected with the Placerville office, who testified to frequent calls for such service. She stated that at Placerville the American Railway Express Company afforded one service daily with no free delivery, while by the stage service the express can be delivered at Placerville three

times daily. Frequent calls were received for handling express, not only to Placerville, but to other mountain and lake points. Applicant also called five witnesses consisting of resort owners, merchants and garage dealers, who substantially corroborated the testimony of Mrs. Richardson and Miss Brown, stating that there was a necessity for the handling of small emergency packages, consisting principally of medicines, groceries, perishable supplies, and automobile parts necessary to repair cars which had broken down in the mountains.

As previously stated, applicant stipulated that he would carry no express packages weighing over thirty pounds, excepting automobile parts, as to which the maximum weight was fixed at one hundred pounds per package. The American Railway Express Company withdrew its protest, respecting the handling of express at Camino, Pacific House, Riverton, Whitehall, Kyburz, Strawberry, Phillips and Meyers. It was also stipulated by applicant that in handling this express he would not compete with the El Dorado Motor Transportation Corporation, Inc., which renders a freight service in this territory.

Coming now to Application 10469, it appears from the testimony of S. C. Cassidy that applicants Cassidy and Word propose to inaugurate a loop service from Reno around Lake Tahoe via Truckee, Tahoe Tavern and Carson City, operating the line from May to October of each year. Passengers will be granted a thirty day stop over at the lake resorts. To handle the traffic two 18-passenger stages will be used. It is estimated that applicants will handle daily an average of 15 passengers from Reno upon the through trip, but this witness was unable to make any

estimate of the anticipated local traffic other than at Truckee where he expects to pick up an average of five passengers daily. Within the State of California applicants propose to serve all local traffic between the State line and Truckee and to carry passengers from points in this territory to the Lake resorts and other points in this State, but they intend to perform no local service between points in this state beyond Truckee. In other words, no passengers will be picked up and discharged between these points. Mr. Cassidy testified that the present service from Reno around the lake by rail, boat and stage required frequent transfers and many delays which they proposed to obviate. There is now no morning rail service from the lake to Reno, he stated, but under applicants' schedules passengers can leave the lake resorts in the morning and arrive at Reno in the evening. Inquiries at Reno relative to a through service around the Lake have been received from local business men and residents, and also from transcontinental tourists. In addition, campers at Donner Lake have inquired concerning the establishment of a stage line through Truckee enabling them to reach the Lake Tahoe resorts. However, passengers from Donner Lake will, patronizing applicants' line exclusively, be obliged to remain over night at Reno, returning in the morning on applicants' stage to Truckee where they must change to another stage line running to Donner Lake. No general investigation was made by applicants as to the local service between the Lake resorts.

Testifying in opposition to this application, Charles W. Nelson, General Manager of the Lake Tahoe Railway and Transportation Company, stated, that trains left Truckee daily in the morning connecting with Reno. He also referred to the light

ticket sales at Reno for Truckee and points west granting stop over privileges at the Lake resorts, not over 300 persons a year stopping over at the Lake en route to California. But very little traffic originated at Donner Lake for points on Lake Tahoe, he stated. Furthermore, most persons travelling from Reno to Lake Tahoe use private automobiles.

From an exhibit introduced by Southern Pacific Company it appears that under its new schedule there will be five trains daily from Truckee to Reno and four trains daily in the opposite direction.

Apparently there is a need for the stage service proposed by Lake Tahoe Railway and Transportation Company between Tahoe Tavern and Pomins and intermediate points, inasmuch as it will be a great convenience to passengers desiring to reach these resorts on the day of leaving San Francisco. This is now impossible under the existing public transportation service, passengers being required to stop over a night en route, a circumstance which will afford great inconvenience and additional expense to many persons making this trip. The evidence also shows a need for the consolidation and unification of the various operative rights of the Pierce Arrow Stage line, since by so doing delays and transfers of passengers will be obviated, the public will be better served, and applicant will be enabled to effect many economies in the operation of his lines. In our judgment the evidence also shows a necessity for the transportation of express by the Pierce Arrow Stage line throughout the system. However, there appears to be no public necessity for the inauguration of the stage

service proposed by Cassidy & Word. In so far as their operations may be of an interstate character, no certificate from this Commission is necessary; and the local or intrastate service now afforded by the existing rail, boat and stage lines is adequate.

Upon full consideration of the evidence, we are of the opinion and hereby find as a fact that public convenience and necessity require the operation by Lake Tahoe Railway and Transportation Company, a corporation, of an automobile stage line for the transportation of passengers for compensation between Tahoe City and Pomins and intermediate points as follows: Tahoe Pines, Homewood, McKinney's, Meano Villa and Tahoma.

Upon full consideration of the evidence, we are of the opinion and hereby find as a fact that public convenience and necessity require the consolidation and unification of the operative rights of A. L. Richardson, doing business under the fictitious name of Pierce Arrow Stage, subject to the provisions of this opinion and order; and we further find as a fact that public convenience and necessity require the transportation by said A. L. Richardson, doing business under the fictitious name of Pierce Arrow Stage, of express packages upon his passenger stages between all points on his lines or routes, provided that such express shipments shall not exceed 30 pounds in weight for each package, excepting shipments of automobile parts which shall not exceed 100 pounds in weight for each package.

Upon full consideration of the evidence, we are of the opinion and hereby find as a fact that public convenience and necessity do not require the operation by Cassidy

& Word, a copartnership consisting of S. C. Cassidy and Frank Word of an automobile stage line for the transportation of passengers and baggage between the California-Nevada State line, Truckee, Tahoe Tavern, McKinney's, Meek's Bay, Emerald Bay, Tallac, Al Tahoe, Bijou, and the California State line, or between any of said points.

An order will be entered accordingly.

ORDER

A public hearing having been held in the above entitled applications, the matters having been duly submitted, the Commission being now fully advised and basing its order on the findings of fact which appear in the opinion preceding this order,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require the operation by Lake Tahoe Railway and Transportation Company, a corporation, of an automobile stage line for the transportation of passengers for compensation between Tahoe City and Pomins and intermediate points as follows: Tahoe Pines, Home-wood, McKinney's, Moano Villa and Tahoma; and

IT IS HEREBY ORDERED, that a certificate of public convenience and necessity be and the same hereby is granted to said Lake Tahoe Railway and Transportation Company, a corporation, subject to the conditions hereinafter set forth.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the consolidation and unification of the operative rights

of A. L. Richardson, doing business under the fictitious name of Pierce Arrow Stage, and the future operation thereof as one unified system, of through service for the transportation of passengers, baggage and express between all the termini and intermediate points served by and along its present several routes, which routes are hereby stated to be as follows:

1. Between Sacramento and Tallac, Lakeside and Fallen Leaf and intermediate points via Placerville.

2. Between Lakeside and Tahoe City and intermediate points as follows: Bijou, Al Tahoe, Grove, Tallac, Emerald Bay, Meek's Bay, Pomins, Moana Villa, McKinney's and Homewood, operated pursuant to authority granted by Decision No. 13885, dated August 5, 1924, in Application No. 10280.

3. Between Diamond Springs Cross-roads and Diamond Springs and intermediate points operated pursuant to authority granted by Decision No. 14535, dated February 5, 1925, in Application No. 9534.

4. Between Placerville and Camino and intermediate points, operated pursuant to authority granted by Decision No. 14591, dated February 24, 1925, in Application No. 10832.

PROVIDED, that the right to transport express shipments, herein granted, shall be subject to the limitation that no single package shall exceed thirty (30) pounds in weight, excepting only shipments of automobile parts which shall not exceed one hundred (100) pounds in weight.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be, and the same is hereby granted

to A. L. Richardson, doing business under the fictitious name of Pierce Arrow Stage, to consolidate the aforesaid operative rights and to render through service thereunder, also to carry shipments of express as herein provided.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

hereby declares that public convenience and necessity do not require the operation by Cassidy & Word, a co-partnership, consisting of S. C. Cassidy and Frank Word, of an automobile stage line for the transportation of passengers and baggage between the California-Nevada Stage Line, Truckee, Tahoe Tavern, McKinney's, Meek's Bay, Emerald Bay, Tallac, Al Tahoe, Bijou, and the California State Line, or between any of said points.

IT IS HEREBY ORDERED, that the application of Cassidy & Word, a co-partnership consisting of S. C. Cassidy and Frank Word, be and the same is hereby denied.

The authority herein granted is subject to the following conditions:-

1. Applicants shall respectively file their written acceptance of the certificates herein granted within a period of not to exceed ten (10) days from date hereof; and shall file, in duplicate, tariff of rates, fares, rules and regulations, and time schedules within a period of not to exceed twenty (20) days from date hereof, such tariffs of rates and fares, rules and regulations, and time schedules to be identical with those attached to the applications herein; and shall commence operation of the service herein authorized within a period of not to exceed thirty (30) days from the date hereof, unless the time for commencement of operation hereunder is hereafter extended by a supplemental order of this Commission.
2. The rights and privileges herein authorized may not be assigned, sold, leased, transferred or hypothecated, nor service thereunder discontinued unless the written consent of the Railroad Commission to such assignment, sale, lease, transfer, hypothecation or discontinuance of service has first been secured.
3. No vehicle may be operated by applicants herein unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to and approved by this Commission.

For all other purposes, other than hereinabove specified, the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 15th

day of June, 1925.

H. B. Ruediger
Beaver

George D. Squires
E. W. ...
Commissioners.