

Decision No. 16296

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA
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ORIGINAL

In the Matter of the Application of)
the South Shore Port Company, a)
corporation, for a Certificate of)
Public Convenience and Necessity to)
Operate Vessels for the Transport-)
ation of Property between points on)
the inland waters of the State of)
California.)

APPLICATION NO. 11730

Edward R. Solinsky, for Applicant,
Sanborn & Roehl and DeLancey C. Smith, by H.E. Sanborn,
for Bay Cities Transportation Company, Protestant,
Glensor, Clewe & Van Dine, by H.W. Glensor and H.L. Hofmann,
for Alameda Transportation Company,
E.H. Maggart and Donald Geary, for Petaluma & Santa Rosa
Railway Company.

BY THE COMMISSION:

O P I N I O N

This is an application filed by the South Shore Port Company, a corporation, under the provisions of paragraph (d), Section 50, of the Public Utilities Act, for a certificate of Public convenience and necessity to operate vessels for the transportation of property, for compensation, upon the inland waters of the State of California, between San Francisco on the one hand, and on the other Oakland and Alameda.

The petition sets forth that applicant proposes to operate on an irregular schedule whenever traffic is offered and

to handle only shipments weighing 15000 pounds or more. The rates proposed to be established are class rates and range from 11 cents per 100 pounds first class, to 7 cents per 100 pounds fourth class.

The Bay Cities Transportation Company and the Alameda Transportation Company appeared in opposition to the granting of the application.

Public hearings were held before Examiner Geary at San Francisco January 12 and March 9, 1926 and the application having been duly submitted is now ready for our opinion and order.

The South Shore Port Company now operates vessels between San Francisco and Port South Shore, and between Oakland, Alameda and Port South Shore in conjunction with an auto truck service between the latter point and Mountain View, San Jose, Santa Clara, Gilroy and other points in the Santa Clara Valley. The service from and to San Francisco has been rendered since July 13, 1923 and from and to Oakland and Alameda since June 3, 1925. The latter service was authorized by the Commission in Application No. 10902, Decision No. 14923, May 14, 1925, primarily for the purpose of permitting applicant to handle traffic between the newly constructed Encinal Terminals at Alameda and points in the Santa Clara Valley. No service has been authorized or is rendered locally between San Francisco and Oakland or Alameda.

Applicant owns two boats equipped with Deisel engines and having a carrying capacity of 185 tons and 300 tons, respectively. Daily service is now rendered from and to San Francisco and a tri-weekly service from and to Oakland and Alameda. Prior to the Commission's authorization in Application No. 10902, supra, applicant owned and operated one boat, but on the assumption that

considerable tonnage would be developed at Oakland and Alameda a second boat was purchased. Applicant's General Manager testified that the expected tonnage has not materialized and as a result one boat is idle the major part of the time. The operating expenses in serving Oakland and Alameda approximate \$600.00 per month, while the operating revenue for a four-month period, from July to October, 1925, inclusive, averaged \$276.33 per month, an operating loss of about \$323.67 per month.

Applicant's plea for a certificate of public convenience and necessity appears to be based solely upon its desire to offset the losses on the Port South Shore, Oakland-Alameda run by utilizing the extra boat in local service between Oakland-Alameda and San Francisco.

With the exception of the testimony of applicant's General Manager and its Freight Solicitor, to the effect that six firms shipping freight between San Francisco and Oakland or Alameda had promised some business in the event operations were inaugurated, the record is barren of any evidence or testimony to prove that public convenience and necessity require the proposed service. None of the firms referred to appeared at the hearings to testify, nor was applicant able to give any estimate as to the extent of the promised tonnage.

The record shows that protestants, Bay Cities Transportation Company and Alameda Transportation Company, are rendering an efficient local service between San Francisco and Oakland-Alameda and are amply well equipped to handle all of the traffic offered at the present time. The former company has seven barges and four tugs with a combined carrying capacity of 2000 tons, and

the latter one vessel with a carrying capacity of 75 tons. Both companies operate on a daily schedule, the Bay Cities Transportation Company making two round trips a day and the Alameda Transportation Company one round trip a day.

Witnesses for protestants testified that the tonnage offered for shipment via their respective lines was considerably below the capacity of their equipment. The General Manager of the Bay Cities Transportation Company submitted data showing that the tonnage handled during a seven months' period, extending from June to December, 1925, inclusive, was slightly over 500 tons per day, or approximately 25 per cent of the carrying capacity of its equipment, and an exhibit offered by the Alameda Transportation Company showed that the tonnage handled by that carrier for the year 1925 averaged less than 9 tons per day, or approximately 12 per cent of the carrying capacity of its equipment. The Traffic Manager of the Alameda Transportation Company testified that if the tonnage now carried was depleted to any great extent his company would be forced to discontinue operations.

Upon consideration of all the facts of record, we are of the opinion and find that public convenience and necessity do not require the service proposed by applicant and that the application should be denied.

O R D E R

This application having been duly heard and submitted, full investigation of the matters and things involved having been had and basing this order on the findings of fact and the conclusions contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that this application be and the same hereby is denied.

Dated at San Francisco, California, this 25th
day of March, 1926.

H. B. Brundage
C. A. Scammon
E. W. Scott

Commissioners.