

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 GEORGE A. SCOTT for certificate of)
 public convenience and necessity to)
 operate passenger, express and bag-)
 gage service between Westwood, Lassen)
 County, California, and a point on the)
 State line between California and)
 Oregon near the town or station of)
 Tule Lake, Modoc County, California.)
 Application No. 10979.

In the Matter of the Application of)
 DAVID S. MITCHELL for certificate of)
 public convenience and necessity to)
 operate passenger and baggage service)
 between Susanville, Lassen County,)
 California, and Oregon line near town)
 of Malin, Klamath County, Oregon.)
 Application No. 11064.

James A. Pardee, for Applicant in Application No. 10979.

Curler & Curler, by Ben V. Curler, for Applicant in
 Application No. 11064.

H. A. Encell and James A. Miller, by H. A. Encell, and
 Chas. A. Beck, for Mt. Lassen Transit Co., Protestant.

Oscar Gibbons, for Alturas-Bieber Stage Line.

J. A. Nudding, for Long Stage Co., Protestant.

BY THE COMMISSION:

OPINION

In Application No. 10979, as amended, George A. Scott seeks a certificate of public convenience and necessity, authorizing the establishment of an automobile stage service for the transportation of passengers, light baggage and light express between Susanville and a point on the California-Oregon State line near the town or station of Tule Lake and intermediate points via Westwood, Pittville, Bieber and Lookout. Appli-

cant will perform no local service between Susanville and Westwood, Pittville and Bieber, nor Bieber and Lookout, these points being served by other stage lines. A tri-weekly service is proposed under rates set forth in a schedule accompanying the application.

In Application No. 11064 David S. Mitchell seeks a certificate of public convenience and necessity, authorizing the establishment of an automobile stage service for the transportation of passengers and light baggage between Susanville and a point on the California-Oregon State line near the town of Malin, Oregon, and intermediate points via Merrillville, Gerigs, Hayden Hill, Parks Ranch, Adin and Canby. No local service is proposed between Adin and Canby, as these points are now served by another stage line. Applicant is now operating a stage line between Susanville and Bieber via Park Station under a certificate from this Commission and he asks that the proposed service, if authorized, be consolidated with his present operative right. A tri-weekly service is proposed under a schedule of rates accompanying the application. The equipment to be used will consist of one Hudson, 7 passenger touring car and if traffic justifies it a 16 passenger White bus will be added later.

A public hearing was held before Examiner Austin at Susanville at which time these applications were consolidated for hearing and decision, evidence was received, the matter was submitted and it is now ready for decision.

The route proposed by applicant Mitchell extends from Susanville northward to a point on the State line near

Malin, via Merrillville, Adin and Canby. He is now operating a stage line over a portion of this route extending north from Susanville to Parks Ranch, a point about six miles south of Adin, thence west to Bieber.

Applicant Scott's proposed route extends from Susanville to Westwood, thence north to a point on the State line near Malin, via Pittville, Bieber and Lookout. Both routes intersect at a point near Dry Lake Ranch Postoffice, being co-terminus from that point a distance of about 23 miles. Both lines serve Susanville and the farming district near Tule Lake.

Among the important points which will be exclusively served by Mitchell are Adin and Canby and those exclusively served by Scott include Westwood and Lookout. Bieber is on Scott's proposed route, and it is now served by Mitchell, it being his plan to consolidate this service with the proposed line if established. The total length of Scott's line is 203 miles and that of Mitchell's line 174 miles. Each of these routes will be operated as a part of a through service from Susanville to Klamath Falls, Oregon. At Klamath Falls, having a population of 8000, are situated extensive lumber mills. Westwood is also a lumber center employing about 4500 men, and Susanville is a lumber and farming center, employing about 2000 men in its mills. There is a large labor turn-over at these points, workmen frequently travelling from one mill to another. Adin has a population of about 300, Lookout about 75, and Bieber about 100. Surrounding these towns are farming communities. From 30 to 40 families now reside near Tule

Lake, between Lookout and the Tule Lake section are about 12 families, from Canby to this point there are about 45 families and between Adin and Parks Ranch are about 8 families.

The record shows that approximately 60 per cent of the traffic over this route will be interstate, the rest being local to California. During the summer months considerable traffic will flow northward from Susanville to Tule Lake consisting principally of farmers residing in that district. It is estimated that the south bound traffic from the Tule Lake section to Westwood will be about one-third greater than to Susanville. Bieber, Lookout and Pittville will market their products largely in Susanville and Westwood and will also originate some small passenger traffic. The passenger traffic between the Tule Lake district and Bieber and Lookout will be inconsiderable. Residents of Bieber having business at the county seat, such as litigants, witnesses, jurors, ^{and} tax payers will travel to Susanville, the county seat of Lassen County; from Lookout and points north this traffic will flow to Alturas, the county seat of Modoc county; and from the Pittville section this passenger traffic will move to Redding, the county seat of Shasta County. There appears to be a demand for the transportation of produce from the Fall River valley, of which Pittville is the center, and also from Lookout, to Susanville and Westwood, and for the transportation of light packages in the opposite direction.

The existing public carrier facilities between Susanville and Westwood, and Klamath Falls are circuitous and slow. It is possible to travel by stage and rail by way of Red Bluff or Chico, consuming some two days and part of one night, or to go by way of Lakeview and Wendel, travelling by stage from

Klamath Falls to Lakeview, thence by rail to Wendel; thence by rail or stage to Susanville or Westwood, the trip requiring two days. In contrast to this service each of the applicants proposes approximately a ten hour service to Klamath Falls.

At present there is a stage service from Alturas to Bieber, passing through Canby, Adin and Lookout. Passengers using this line may connect at Bieber with Mitchell's present stage line to Susanville, but are obliged to lay over one day. Mitchell proposes to establish such connections that this delay will be obviated. There is also a stage connection at Bieber for Redding and stage lines operate between Bieber and Pittville, and between Lookout and Bieber. All afford connections with Mitchell's present line at Bieber.

While the two proposed routes are not entirely coincident, it is apparent that they are so nearly parallel and so many of the important points are common to each line that they may be regarded in substance as being applications for identical certificates. It is admitted that there is not sufficient traffic to support both lines. North of the junction of the two routes near Dry Lakes Ranch Post Office, residents of the Tule Lake section will be equally served by either line. From Lookout, Bieber and Pittville, Scott's route will be more direct to Westwood, Mitchell serving Susanville alone, and passengers destined to Westwood being required to travel by rail to that point from Susanville. From these points to Susanville the routes are about the same. Scott will not serve Adin nor Canby, Adin being the largest point in Big Valley. Both lines will serve Bieber and Lookout. The residents of the Tule Lake section may use Mitchell's line to reach Alturas, the county

seat, but no such connection will be afforded by Scott's line. Both lines will connect at Bieber with the Redding stage.

Considerable testimony was introduced regarding the relative conditions of the routes. Generally, it may be said that there appear to be no steep grades upon Scott's proposed route, while that proposed by Mitchell traverses the Black Canyon with grades of about 5 per cent but apparently in fair condition. One witness, describing the routes, testified that the Black Canyon route proposed by Mitchell was most used in winter while the Lookout route proposed by Scott was most used in summer, but both were bad roads.

In support of his application, Scott offered resolutions adopted by the Malin Commercial Club of Malin, Oregon, the Farmers Society of Tule Lake Valley of Malin, Oregon, the Lookout Good Roads Association, and the Big Valley Chamber of Commerce, of Bieber. He also offered a communication addressed to the Railroad Commission from the Klamath Chamber of Commerce, urging the granting of a permit for stage service to Westwood. Mitchell offered as an exhibit a communication from the same body, apparently supporting his application, urging the authorization of a stage service to Susanville.

Scott has been engaged in operating stage lines in this general territory for the past 15 years, and Mitchell has also had considerable experience in the operation of stage lines in this region. Both applicants, therefore, appear to be qualified by experience to conduct the service. Scott proposes to use in this service one 7-passenger Paige

car and one 7-passenger Studebaker car and in addition will use a 15-passenger bus, if necessary. He now owns all of this equipment. Mitchell, in addition to the equipment now used on the Susanville-Bieber line, will furnish for this service one 7-passenger Hudson car and if the traffic increases he is prepared to use a White 12-passenger bus if the roads will permit the utilization of such heavy equipment.

At the hearing Scott stipulated that he would not handle any traffic between points served by existing lines. Although protests were entered by the Alturas-Bieber stage line and the Long Stage Company, but little supporting testimony was offered. On behalf of the Long Stage line it was shown that he is now operating between Susanville and Wendel, handling passengers and mail and connecting with both the Western Pacific and Nevada-California-Oregon railroads. This protestant opposes both applications, because he will be deprived of the business now moving between Wendel and Lakeview. The operator of the Alturas-Bieber stage line made no opposition to the granting of Scott's application, in view of the latter's stipulation not to handle local traffic between points served by this protestant. Since Mitchell now connects with Long's line he offered no opposition to Mitchell's application.

In determining this case, it is not necessary to pass upon the necessity for a through service between Westwood and Susanville, on the one hand, and Klamath Falls, Oregon, on the other hand, this being an interstate service over which we have no jurisdiction. Therefore, the testimony relating

to the present mode of transportation between these cities and the protest of the Long Stage line, which is directed primarily to the through interstate service, may be disregarded. Considering only the intrastate features of these applications, it appears that there is a need for a transportation service in this territory. On the one hand Scott offers a direct service from Westwood, one of the most important points, which will not be afforded by Mitchell. The latter, however, will serve Adin, the largest point in Big Valley, and will also afford connections at Canby for Alturas, thus opening a direct route to that point from the Tule Lake section. Both lines will serve the section surrounding Lookout, Bieber and Pittville and both will afford connections to Redding. In addition, both operators appear to be qualified by experience to conduct the service, both have adequate equipment, and both seem to be financially able to carry on the service. The circumstance which in our minds turns the scales is the fact that Mitchell is now and for some time past has been conducting a satisfactory and adequate stage service from Susanville to Bieber, which in this application is sought to be extended, while, on the other hand, Scott is endeavoring to establish a new service which if permitted will add a competitive line serving Lookout and Bieber. Since both of these points are already reached by the existing carrier, this would tend to break down and impair the efficiency of the present service. The record indicates that the most important centers to be served by either line, aside from Susanville and Westwood, are situate in the Big Bear Valley, which originate and receive much more traffic than the Tule Lake section. We are,

therefore, of the opinion that the application of Mitchell should be granted. Inasmuch as it is apparent that there is not room for two competing lines, the application of Scott will be denied.

Since applicant Mitchell has not sought the privilege of carrying express, no such right will be granted. If it should appear that the demand for handling this traffic is of such proportions as to warrant an express service, the matter can be presented to us by proper application. The evidence presented dealt primarily with the need for a passenger service, and touched but lightly upon the handling of commodities, being insufficient to affect our conclusions respecting the proper carrier to serve this field. Mitchell's application proposes that hand baggage under fifty pounds shall be carried free, and excess baggage shall be handled at the rate of $1\frac{1}{2}$ cents per 100 pounds per mile, provided no baggage weighing over 150 pounds shall be carried. This provision appears to be reasonable, and such privilege will be granted.

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 David S. Mitchell of an automobile stage service for the transportation of passengers and baggage, as hereinabove provided, between Susanville, California, on the one hand, and a point on the California-Oregon State line near the town of Malin, Oregon, and all intermediate points over and along the route via Merrillville, Gerigs, Hayden Hill Parks Ranch, Adin and Canby, as a part of and an extension of the existing stage service now being performed by said Mitchell between Susanville and Bieber, via Parks Ranch, the same to be

operated and conducted as one unified and consolidated system of transportation.

We are of the opinion and hereby further find as a fact that public convenience and necessity do not require the operation by George A. Scott of an automobile stage service for the transportation of passengers, baggage or express between Susanville and a point on the California-Oregon state line near the town or station of Tule Lake or intermediate points via Westwood, Pittville, Beaver and Lookout.

An order will be entered accordingly.

O R D E R

A public hearing having been held in the above entitled applications, which were duly consolidated for hearing and decision, 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 David S. Mitchell of an automobile stage service for the transportation of passengers and baggage, as set forth in the preceding opinion, between Susanville, California, on the one hand, and a point on the California-Oregon state line near the town of Malin, Oregon, and all intermediate points over and along the route via Merrillville, Gerigs, Hayden Hill, Parks Ranch, Adin and Canby, as a part of and an extension of the exist-

ing stage service now being performed by said Mitchell between Susanville and Bieber, via Parks Ranch, the same to be operated and conducted as one unified and consolidated system of transportation.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to said David S. Mitchell for the operation of the service hereinabove described, subject to the conditions hereinafter set forth:

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY FURTHER DECLARES that public convenience and necessity do not require the operation by George A. Scott of an automobile stage service for the transportation of passengers, baggage or express between Susanville and a point on the California-Oregon state line near the town or station of Tule Lake or intermediate points via Westwood, Pittville, Bieber and Lookout.

IT IS HEREBY ORDERED that the application of George A. Scott for such certificate of public convenience and necessity be and the same is hereby denied.

The authority herein granted to said David S. Mitchell is subject to the following conditions:

1. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof; shall file, in duplicate, tariff of rates and time schedules within a period of not to exceed twenty (20) days from date hereof, such tariff of rates and time schedules to be identical with those attached to the application herein; and shall commence operation of said service within a period of not to exceed thirty (30) days from date hereof.
2. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.
3. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

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

Dated at San Francisco, California, this 20th day of July, 1926.

H. H. Rindige

P. L. Lewis

George W. Keats

Commissioners.