

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
YOSEMITE PARK AND CURRY CO., a corporation,
operating the Yosemite Transit System, for
a certificate of public convenience and
necessity to operate motor stage passenger,
baggage and express service between Merced,
Merced County, California, and El Portal,
Mariposa County, California, and intermediate
points, as an extension of its existing motor
stage service between Mariposa, Mariposa
County, and Briceburg, Mariposa County,
and between El Portal, Mariposa County, and
the boundary of Yosemite National Park.)
Application
No.12800

ORIGINAL

In the Matter of the Application of
YOSEMITE VALLEY RAILROAD COMPANY, a corpor-
ation, for a certificate of public conven-
ience and necessity to operate motor stage
passenger and baggage service between Merced,
Merced County, California, and El Portal,
Mariposa County, California, and intermediate
points.)
Application
No.13039

Brobeck, Phleger & Harrison, by Herman Phleger, for
Yosemite Park and Curry Co., Applicant in
Application No.12800, and Protestant in
Application No.13039.

McCutcheon, Olney, Mannon & Greeno, by Allan P. Matthew
and John O. Moran, for Yosemite Valley Railroad
Company, Applicant in Application No.13039 and
Protestant in Application No.12800.

Earl A. Bagby, for California Transit Company, in favor
of Application No.12800 and Protestant in
Application No.13039.

Edward Stern and J. W. Rogers, for American Railway
Express Company.

BY THE COMMISSION -

O P I N I O N

In Application No.12800, Yosemite Park and Curry Co., a
corporation, has petitioned the Railroad Commission for an order
declaring that public convenience and necessity require the
operation by it of an automobile stage service as a common carrier
of passengers, baggage and express between Merced, Merced County,
and El Portal, Mariposa County, and intermediate points, as an
extension of its existing motor stage service between Mariposa and
Briceburg, in Mariposa County, and between El Portal, Mariposa

County and the boundary of Yosemite National Park.

In Application No.13039, Yosemite Valley Railroad Company, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile stage service for the transportation of passengers and baggage between Merced, Merced County, and El Portal, Mariposa County, and intermediate points.

Public hearings on these applications were conducted by Examiner Handford at San Francisco, the matters were consolidated for the purpose of receiving evidence and for decision, were duly submitted and are now ready for decision.

In Application No.12800, Yosemite Park and Curry Co., propose to operate between Merced and El Portal at a one-way rate of \$5.00 and a round trip rate of \$6.75; baggage, not exceeding forty pounds in weight, to be carried free and a charge of 2½ cents per pound to be made for excess baggage exceeding the free weight allowance. Half rates are proposed for children from 5 to 12 years of age. Applicant proposes a schedule of five round trips daily between Merced and Yosemite National Park, via El Portal, and to purchase additional equipment for service over the route herein proposed. Applicant now operates 44 White passenger cars, with capacities from 6 to 27 passengers, and 21 Pierce Arrow touring cars, each of 8 passenger capacity.

This applicant relies, as justification for the granting of the requested certificate, on the following alleged facts:

- 1- That the proposed service will enable passengers to be transported by auto stage from Merced to Yosemite without change of cars.
- 2- That the proposed route will afford the public the advantage of an all highway route from Merced to Yosemite Valley which will be operated during the entire year and which is the shortest highway route available.
- 3- That the opening of the new stage highway between Briceburg and El Portal will permit the operation of through stages between Merced and the Yosemite Valley, via El Portal, during the entire year and at cheaper rates than are now available by existing transportation facilities.

4- That applicant is experienced in the business of auto stage transportation and now operates such transportation in the Yosemite National Park; between Carl Inn and Mather; to Mono Lake and Lake Tahoe; from Fresno to Yosemite; between Merced and Mariposa; between Briceburg and Mariposa; and between Merced and Yosemite via Wawona over what is commonly known as the "Horseshoe Route."

5- That applicant, operating under the authority of the United States Government, maintains hotels, camps, stores, garage service, saddle horse service, amusement, and all other service necessary or convenient for the public visiting Yosemite National Park, and that the service sought to be established would facilitate and promote the accessibility of the Yosemite Valley to the public.

6- That applicant maintains agencies throughout the United States for the purpose of furnishing information to the public as to the facilities offered at Yosemite National Park and for the purpose of developing travel to Yosemite and vicinity.

7- That the proposed service will provide the public with transportation from main line railroads and highways to and from Yosemite National Park and will permit the public to avail itself of transportation, hotel and other service rendered by one management.

8- That numerous inquiries have been received by applicant from tourist agencies and other sources throughout the United States requesting information as to through motor stage service to the Yosemite National Park, and that applicant anticipates an immediate and substantial demand by the public for the service herein proposed.

In Application No.13039, applicant Yosemite Valley Railroad Company proposes to operate between Merced and El Portal at a one-way fare of \$5.00 and a round trip fare of \$7.50, with half fares for children between the ages of five and twelve years. Baggage is to be carried free up to a limit of 75 pounds on each half ticket, and 150 pounds on each full ticket. It is proposed to operate three round trips daily between Merced and El Portal on the following schedule:

<u>Leave</u>	<u>Merced</u>	<u>Arrive</u>	<u>El Portal</u>
	8:00 A.M.		11:30 A.M.
	12:30 P.M.		4:00 P.M.
	6:00 P.M.		9:30 P.M.
<u>Leave</u>	<u>El Portal</u>	<u>Arrive</u>	<u>Merced</u>
	8:00 A.M.		11:30 A.M.
	12:30 P.M.		4:00 P.M.
	4:30 P.M.		8:00 P.M.

The equipment proposed to be used is described as being parlor chair coaches, of 17 passenger capacity, with roofs so constructed as to permit of an unobstructed overhead view.

Applicant relies as justification for the granting of the desired certificate on the following alleged facts:

1- That, to applicant's knowledge, no public demand exists for the inauguration of auto stage service for the transportation of passengers and baggage between Merced and El Portal but applicant anticipates that public convenience may be served by the establishment of such auto stage service.

2- That applicant proposes to establish and maintain auto stage service between Merced and El Portal as a supplemental service to its present rail passenger service and to be co-ordinated with said rail service; that the resultant unified service would be in the best interest of the public in that passengers would have a choice of either rail or auto stage transportation between Merced and El Portal; and that this applicant is the only one in position to establish and maintain such unified rail and auto stage service.

3- That applicant, by reason of the construction of its railroad between Merced and El Portal, and the construction of a roadway between El Portal and the Yosemite Valley, and by reason of providing rail and highway transportation service over said railroad and highway, created and developed the direct route from Merced, via the Merced River Canyon, to the Yosemite Valley.

4- That through the efforts of applicant and by reason of its transportation service Yosemite National Park has been made readily accessible to great numbers of persons, many of whom would otherwise have found it impracticable or inconvenient to enter the Yosemite Valley.

5- That it would be unjust and unfair to authorize the establishment of a competing transportation service via the Merced Canyon route into the Yosemite Valley thereby depriving applicant of the results of many years of pioneering effort.

6- That applicant alone is in a position to establish an adequate auto stage service between Merced and El Portal which will be supplemental to and co-ordinated with the railroad service now rendered by applicant and therefore free from wasteful and uneconomic competitive effort.

Yosemite Valley Railroad Company filed herein its formal protest against the granting of the application of Yosemite Park and Curry Co., alleging in support of said protest:

1- That protestant created and provided the pioneer agency of transportation into the Yosemite Valley by the way of the canyon of the Merced River; that prior to the construction of protestant's railroad the sole means of access to the Yosemite Valley was afforded by stage lines, operated via circuitous routes, and maintaining service only during the summer and fall months.

2- That protestant's railroad was projected and constructed for the purpose of affording to the public a direct, expeditious and dependable means of transportation between Merced and the Yosemite Valley throughout the entire year.

3- That the protestant's railroad was completed and opened for passenger, freight and express traffic on or about May 15, 1907, and ever since such time has been accessible to the public by reason of offering daily service throughout the entire year; that by reason of the service so established and maintained by said railroad and its connecting lines of railroad there has been transportation provided between the Yosemite Valley and all important points in the State of California and in the United States; and that the large increase in the number of persons visiting the Yosemite Valley during the past nineteen years is due, in substantial measure, to the construction of protestant's line of railroad and the service furnished thereon.

4- That at the time of construction of protestant's line of railroad, said protestant constructed at its own sole cost and expense a roadway between El Portal and the Yosemite Valley; that the cost of constructing said highway was in excess of \$80,000. for which no reimbursement has been made in whole or in part; that said roadway is still in existence and is now being used by applicant Yosemite Park and Curry Co., without charge or expense for the transportation of passengers, baggage, freight and express between El Portal and Yosemite National Park.

5- That commencing in the year 1907, under the authority of a permit granted by the Secretary of the Interior of the United States, the promoters of protestants line of railway established an auto stage passenger service between El Portal and the Yosemite Valley; that such service was continuously maintained until the year 1916; that in the year 1916, upon the solicitation of Yosemite Park Company, predecessor of applicant Yosemite Park and Curry Co., the right to conduct said auto stage passenger stage service was surrendered, to the end that said Yosemite Park Company might be able to render a complete service for the transportation of passengers between points in the Yosemite National Park; and that ever since such time said service has been rendered by said Yosemite Transportation Company and its successor, the applicant herein. That the right to conduct an auto stage service between El Portal and Yosemite National Park was surrendered under the reasonable expectation and belief that the relation between protestant and the Yosemite Transportation Company and its successors would be that of connecting and not competing carriers.

6- That the present relation between protestant and applicant is that of connecting carriers with the point of interchange for passengers, freight and express at El Portal; that, prior to March 19, 1926, the applicant was not in competition with protestant; that on said date applicant acquired the auto stage line and operative rights of Madera Yosemite Big Trees Auto Company and since such acquisition has been a competitor of protestant as regards the transportation of passengers, baggage and express between Merced and the Yosemite Valley. That it is the purpose of applicant to establish another auto stage service for the transportation of passengers, baggage and express between the Yosemite National Park and Merced, via El Portal; that such service will parallel and compete with protestant between Merced and El Portal; that if such service be authorized applicant will be able, and in the judgment of protestant, will divert large numbers of passengers and express traffic from the railroad of protestant resulting in serious detriment to the traffic and revenue of protestant.

7- That applicant by reason of its control of hotels, camps, garages and other services in the Yosemite Valley would be able, in the event its application were to be granted, to divert from protestant a large portion of the passenger business, and protestant denies that the service contemplated by applicant would be an integral part of its other services or would facilitate or promote the accessibility of Yosemite Valley for the public.

8- That applicant by reason of the maintenance of its agencies throughout the United States for the purpose of furnishing information as to means of reaching Yosemite Park, would be able, in the event of the granting of the application, to divert from protestant a large portion of the passenger traffic now handled on its railroad.

9- Protestant denies that public convenience or necessity would be served by the granting of application or that the granting of a certificate is justified.

10- That the railroad and equipment of protestant's railroad is properly maintained; that the service rendered is adequate, sufficient, dependable and fully responsive to the public need; that its rates and charges are reasonable; that to its knowledge no public demand exists for the inauguration of an auto stage service for the handling of passengers, baggage and express between El Portal and Merced.

11- That, with the exception of particular years and by reason of special and temporary conditions, protestant has never been able to derive sufficient net revenue from its transportation service to afford a just or adequate return on the original cost of its railroad; and that, in the event of the granting of the application, the traffic of the railroad would be seriously diminished, its revenue would be greatly curtailed and its ability to render adequate and efficient service would be seriously impaired, all to the prejudice of the public interest.

12- That, in the event of the granting of the application, the business developed by nineteen years operation of protestant's railroad would be destroyed; that the granting of the certificate sought would disregard the right of protection to protestant against unnecessary and unfair competition; and that if it should be found that public convenience and necessity require the establishment of the proposed auto stage service between El Portal and Merced, a certificate should be granted to protestant in conformity to its application filed herein.

Mr. Don Tresidder, President of applicant Yosemite Park and Curry Company, testified as to the present stage lines operated by his company and related the history of transportation into the Yosemite Valley, the first automobile stages having been operated over the Wawona route in 1915. This witness outlined the scope of the activities of the Yosemite Park and Curry Co. and the obligation required by agreement with the Federal Government, through the Secretary of the Interior, calling for an expenditure of \$2,500,000. during the first five years of the company's operations in Yosemite National Park, \$1,000,000 of which amount will have been spent during the first year's operation, including an \$825,000 fireproof concrete hotel which will be in operation prior to January 1, 1927. The company now operates a stage route from El Portal to Yosemite, a distance of 15 miles, such route furnishing a connection with the Yosemite Valley Railroad at El Portal. Over this route 42,568 passengers were transported in 1921 and 50,768 passengers in 1925, and during the 5 year period 1921 to 1925, inclusive, a total of 234,876 passengers were handled. From Fresno to Yosemite Valley three routes are operated, dependent upon road conditions at different periods of the year. The Fresno-Yosemite service was established in 1924 under authority of this Commission's Decisions 13686 and 13720 on Application No. 9107 after considerable request from Fresno and San Joaquin Valley points. During the first year of operation practically no passengers were carried, but in 1925 there was a substantial gain, although the line did not handle a large volume of patronage due to the preferential

contract between the United States Government and the Horseshoe Route which required passengers to change at Wawona to the stages of the Horseshoe Route, thence back to Big Trees and again to Wawona before entering the Valley. In May, 1926, after the consolidation of the Horseshoe Route with the Fresno lines of applicant, more passengers were transported, although in an off-season month, than in the two previous years.

The Yosemite-Lake Tahoe route was established by authority of the Railroad Commission as contained in Decision No. 11749, as decided March 6, 1923. This route leads from Yosemite Valley to Carl Inn, thence across the canyon of Yosemite Creek through the Tuolumne Meadows to Tioga Lodge, thence over the Tioga Pass at an elevation of nearly 10,000 feet to Mono Lake and Bridgeport, thence through the Minden country over Kingsbury Grade to Lake Tahoe, a distance of 256 miles. This line was originally established following the request of Hon. Stephen T. Mather, Director of National Parks. The so-called Hetch Hetchy line also operates under the authority of the Railroad Commission's Decision No. 11749 of March 6, 1923.

The Big Trees-Glacier Point service operates from the Yosemite Valley to Wawona and the Mariposa Grove of Big Trees, returning to Chinguapin with a side trip of 28 miles to Glacier Point, thence returning to Yosemite Valley. This service during a five year period has handled 45,542 passengers. Local service is also operated in Yosemite National Park known as the Valley Floor Division, carrying principally sightseeing tourists from the floor of the Valley to Mirror Lake, Yosemite and Bridal Veil Falls. This local service handled 303,846 passengers in the five year period ending 1925.

The Merced-Mariposa service was acquired from C. C. Schlageter on March 3, 1926, by authority as contained in the Railroad Commission's Decision No. 16070 on Application No. 12556. The Mariposa-Briceburg operative right was granted to Yosemite National Park Co. by the Railroad Commission's Decision No. 11750

on Application No. 8738, as decided March 6, 1925.

The Briceburg-El Portal highway is approximately 16 miles in length and follows the Merced River, completing the highway access from Merced to Yosemite, via Mariposa, Briceburg and El Portal. Between Briceburg and El Portal the highway parallels the Yosemite Valley Railroad.

Mr. R. E. McCormick, Asst. Traffic Manager of Yosemite Park and Curry Co., testified that his company had through fare arrangements with practically all railroads in California and with 40 to 45 other lines, also selling at its own offices tickets of the Yosemite Valley Railroad. The witness estimated that sixty percent of the total ticket sales of the Yosemite Valley Railroad Co. were sold at the offices of the Yosemite Park and Curry Co., such tickets being sold without expense to the railroad as an accommodation to the patrons of the Yosemite Park and Curry Co., and to save patrons the time and trouble of securing tickets at the railroad office by furnishing tickets at the time arrangements were made for Yosemite accommodations and service.

Mr. Robert T. Williams, Traffic Manager of Yosemite Park and Curry Co., testified that he was directly in charge of the transportation activities of his company and personally came in contact with the public; that he was in close contact with railroad companies and travel agencies throughout the country and had furnished information and literature to some 101 railroads; that from 1921 to 1926 there were 59 separate publications distributed, dealing with the promotion of travel to Yosemite National Park, same being forwarded to the above mentioned railroads and to 140 tourist agencies, a total of 700,000 pieces of advertising matter being distributed during the current year; and that approximately \$140,000 had been expended in advertising by means of newspapers and folders during the years 1921 to 1925, inclusive, and \$75,000 was the anticipated expenditure for the current year.

The witness also testified as to the plans of his company for the encouragement of winter travel to Yosemite which would be made possible by additional facilities being available in the Park and the establishment of additional service through the proposed stage line.

Mr. John Rieschel, Superintendent of Motor Service of Yosemite Park and Curry Co., testified as to the character of equipment owned by such applicant, its method of operation and the ability of the company to satisfactorily handle peak loads.

Mr. D. T. Huffman, Manager of the Horseshoe Division of Yosemite Park and Curry Co., testified regarding the historical record of public transportation into Yosemite. From his testimony it appears that the Washburn Brothers, operating the Yosemite Stage and Turnpike Co., began operations in 1864 using saddle and pack horses. About 1875 a wagon road was built and thereafter horse drawn stages were used. The first operation was from Merced, later from Madera, then from Raymond following the construction of the Southern Pacific's railroad to such point, and continuing from such point until a year following the construction of the Yosemite Valley Railroad when the operation was again commenced at Madera and continued until 1915. In the year 1916 operation was established out of Fresno and Merced and in 1917 the Fresno operation was abandoned and Merced has since been the point of departure for the Yosemite Valley. This witness stated that the establishment of Merced as a terminal was for the reason that a new highway was being built with Yosemite Valley as its objective point, a considerable mileage of which was along a route that was practicable for his company and with the promise of a through route to the Valley. The witness personally drove the first automobile stage via the Wawona Road into the Yosemite Valley on June 2, 1915, and since that time there has been continuous service, during the season.

The executive committee of the Mariposa County Chamber of Commerce, the Board of Directors of the Stockton Chamber of Commerce, the Board of Directors of the Sacramento Chamber of Commerce, the Board of Directors of the Fresno County Chamber of Commerce, the Modesto Chamber of Commerce, and three of the Supervisors of Mariposa County have endorsed the application of the Yosemite Park and Curry Co., as evidenced by resolutions and letters filed in this proceeding.

It was stipulated that certain witnesses, if called, would each testify that they were familiar with the Yosemite Valley, its transportation facilities and problems; that they believe public convenience and necessity required the operation of an automobile stage service between Merced and Yosemite Valley via Mariposa and Ericenburg; that they were familiar with both applications now being considered; that they believed the public interest would be best served by the granting of a certificate to the Yosemite Park and Curry Co.; that they were acquainted with the public sentiment on the subject in Merced and vicinity and feel that the great majority of the public believe that a certificate should be granted to said Yosemite Park and Curry Co. and that the public interest would be best served thereby. The witnesses referred to in this stipulation are D. H. Stoddard, capitalist; C. G. Benjamin, Credit Manager of the Hartman Department Store; Walter Miller, owner of Sanitary Milk Company; A. Stevenot, Manager of El Capitan Hotel; L. Cornell, Manager of the Wrange Company and a director of the Merced Chamber of Commerce; G. C. Jones, one of the owners of the Merced Hotel and of the Fox Hotel at Taft; George Lady, Manager of Lounsbury Garage; and R. Shaffer, President of Chamber of Commerce of Merced and Chairman of Yosemite Diamond Jubilee, all residing at Merced.

Mr. Fred B. Mc Coy, Mr. C. L. Boothe and Mr. J. C. Grosjean, members of the Board of Supervisors of Mariposa County, endorse the granting of a certificate to the Yosemite Park and Curry Co., stating that Mariposa and other sections of Mariposa County will be greatly benefited by the establishment of the proposed service.

Mr. Fred T. Elsey, President of applicant Yosemite Valley Railroad Company, testified as to the historical and financial record of such company and its contention that if any public convenience and necessity be found justifying additional stage service between Merced and the Yosemite Valley, using the new road about to be completed between Briceburg and El Portal, that the certificate should be granted to his company rather than to a competitor proposing to duplicate the passenger service of the railroad as now rendered between Merced and El Portal.

Mr. W. E. White, General Manager of applicant Yosemite Valley Railroad Company, testified that he was in charge of the operation, traffic and general activities of such company. He described the operations of his company and explained the conditions under which application had been made by his company and his opinion that a material loss of passenger revenue would follow the granting of a certificate to a competing company. This witness explained several exhibits introduced on behalf of his company and said exhibits will hereafter be discussed.

Mr. Earl A. Bagby, Secretary of California Transit Company, described the territory served by his company and the volume of its business, 18,000 to 22,000 stage miles being operated daily carrying approximately 3500 passengers. Eighteen schedules daily pass through Merced and the opening of the new road between Merced and El Portal offers opportunity to handle Yosemite business on joint schedules and through rates which California Transit Company has been unable to arrange with Yosemite Valley Railroad Company.

The witness stated that his company would prefer the granting of the application of the Yosemite Park and Curry Co. having been assured that through rates will be established by such company.

Mr. A. R. Linn, Manager of Merced County Chamber of Commerce, testified that in his opinion public convenience and necessity would be served by the establishment of a stage line over the route herein sought. He favors the granting of a certificate to Yosemite Valley Railroad Company by reason of their present investment in transportation facilities.

Mr. John R. Graham, a business man of Merced, Mr. Corwin Radcliffe, publisher of the Merced Sun and Star; and Mr. Frank Pehley, Chairman of the Board of Supervisors of Merced County, testified in behalf of Yosemite Valley Railroad Company and were of the opinion that if a certificate were to be granted that it should be to the railroad on the basis of protection to the investment of the railroad company and in recognition of its pioneering of passenger service into the Yosemite Valley via the Merced River canyon route.

It was stipulated that Mr. R. Barcroft, a hardware and implement dealer; Mr. E. H. Renter, office manager of the Merced Produce Co.; Mr. E. B. Maze, pharmacist; Mr. J. R. Cornett, general insurance; Mr. J. H. Hart, President, Farmers and Merchants Bank; Mr. E. W. Howard, President of Merced Hotel; all of Merced, and Mr. G. W. Egenhoff, President of the Original Mining Company at Clearing House, would testify that the Yosemite Valley Railroad Company was an enterprise of advantage and benefit to Merced and the surrounding communities; that to their knowledge it had fully performed its public duty as a carrier of passengers, freight and express; that the reputation of its management and the relation of the carrier to the public were most cordial, and that, in their opinion, if public convenience and necessity were found to exist between Merced and El Portal, the certificate authorizing such operation should be granted to the railroad company.

The Yosemite Valley Railroad Company operates two round trips daily during the summer months on the following schedule:

	<u>READ DOWN</u>			<u>READ UP</u>		
Lv.	1:20 P.M.	8:00 A.M.	Merced	Ar. 12:05 P.M.	4:35 P.M.	
Ar.	5:20 P.M.	11:50 A.M.	El Portal	Lv. 8:30 A.M.	1:00 P.M.	

Under the proposed combination stage and train service of this applicant the time schedule will be as follows:

	<u>READ DOWN</u>					<u>READ UP</u>				
Train	Stage	Stage	Train	Stage		Stage	Train	Stage	Stage	Trn
Lv. 4 AM	8:00AM	12:30PM	1:30PM	6:00PM	Merced	11:30AM	12:30PM	4:00PM	8 PM	LAM
Ar. 8 AM	11:30AM	4:00PM	5:20PM	9:30PM	El Portal	8:00AM	9:00AM	12:30PM	4:30PM	9PM

The time schedule proposed by applicant Yosemite Park and Curry Co., as hereinabove referred to, outlines five round trips daily. The elapsed time between Merced and El Portal by the stage service proposed by Yosemite Valley Railroad Company is $3\frac{1}{2}$ hours to which must be added the time required for the stage trip from El Portal and Yosemite now requiring $1\frac{1}{2}$ hours by the stages of the Yosemite Park and Curry Co., or a total elapsed time of $4\frac{1}{2}$ hours, assuming direct connection is to be made at El Portal and making no allowance for delay in transfer at such point. The time schedule proposed by the Yosemite Park and Curry Co. provides for the continuous trip between Merced and El Portal to be made in four hours.

The rates proposed by the respective applicants are as follows:

	<u>Between Merced and El Portal</u>	
	<u>One Way</u>	<u>Round trip</u>
Yosemite Valley Railroad Company	\$ 5.00	\$ 7.50
Yosemite Park and Curry Co.	5.00	6.75

Half fare rates for children (ages 5 to 12) are proposed by both applicants.

The free baggage allowance proposed by Yosemite Park and Curry Co., is 40 pounds with excess baggage at a rate of $2\frac{1}{2}$ cents per pound.

The free baggage allowance proposed by Yosemite Valley Railroad Company is 150 pounds on each full ticket, 75 pounds on each half-ticket, with excess baggage at a rate in accordance with the provisions of Western Passenger Bureau Tariff No.25-5, C.R.C. No.52.

From an exhibit filed it appears that there are 42 stage and train arrivals daily at Merced between the hours of 12:40 A.M. and 10:55 P.M. of which number 8 are trains of the Atchison, Topeka & Santa Fe Railway Company, 15 are trains of the Southern Pacific Company, and 18 are stages of the California Transit Company.

The record shows a constantly increasing number of visitors to Yosemite since the automobile stage service was first authorized to operate into the park by the federal authorities. The record showing the number of visitors and their method of access to the park for the past nine years, as compiled from annual reports of the National Park Service, being as follows:

	<u>YEARS</u>									
<u>Visitors</u>	<u>1916</u>	<u>1917</u>	<u>1918</u>	<u>1919</u>	<u>1920</u>	<u>1921</u>	<u>1922</u>	<u>1923</u>	<u>1924</u>	<u>1925</u>
Private cars	14257	22456	26699	42900	46074	64566	64737	87870	73718	155743
Auto Stage (excluding (El Portal))	3032	2603	2330	3237	3525	3629	4311	4528	4251	3848
Y.V.R.R.	14251	8612	3894	11043	18111	20969	23552	26987	20157	25614
Wagon Horseback and foot	1508	939	516	994	1010	2159	1930	----	----	----
Motor Cycles	---	---	88	188	186	190	188	----	----	----
Via Hetch Hetchy	---	---	--	---	---	---	5788	7188	6549	5590
TOTALS-	33390	34510	33527	58362	68906	91513	100536	130046	146070	209166

The application of the Yosemite Valley Railroad Company has evidently been filed on the basis of protecting the passenger service now enjoyed by such company's rail operation, the evidence of officials of the company showing that if an application had not been filed for authority to conduct the proposed service, no authority would have been sought by the railroad.

The passenger earnings of the Yosemite Valley Railroad Company for the past ten years are as shown in the following statement:

<u>YEAR</u>	<u>PASSENGER REVENUE</u>	<u>PERCENTAGE OF PASSENGER REVENUE TO TOTAL REVENUE</u>
1916	\$ 109,474.73	49.00 per cent
1917	130,910.91	42.07 " "
1918	74,444.72	33.56 " "
1919	153,572.55	45.29 " "
1920	256,481.03	49.45 " "
1921	283,893.97	44.47 " "
1922	292,205.45	42.79 " "
1923	335,504.52	48.68 " "
1924	265,994.72	40.17 " "
1925	358,233.66	24.71 " "

The abnormally low percentage of passenger revenue for the year 1925 is accounted for by the fact of an increase in freight earnings during such year, amounting to \$747,422.50 over the freight earnings of 1924, and accounted for by construction work of the Merced Irrigation District which resulted in a large and profitable freight movement.

The position of the Yosemite Valley Railroad Company as shown by the record herein is that public convenience and necessity require the proposed service; that the railroad company has a prior right and should receive the certificate; that the investment of the railroad company is in jeopardy if the application of the Yosemite Park and Curry Co. were to be granted and that such investment should be protected against any competition that would

impair its traffic and revenue; that the authorization of a competing stage carrier will divert an increasing proportion of business from the railroad to the stage route, thereby threatening serious injury to the railroad; and that the physical condition of the railroad and its record of service are such as to afford the public reasonable assurance of efficient conduct of the proposed co-ordinated rail and stage service, which proposed service is in the public interest.

The matter of duplication of service as appearing in these proceedings differs materially from the situation usually presented. The Yosemite Park and Curry Co., as successor in interest, now operates under the authority of this Commission service between El Portal and Yosemite, between Merced and Yosemite via Wawona (the so-called Horse Shoe Route), between Merced and Mariposa, and between Mariposa and Briceburg. The construction of a new highway between Briceburg and El Portal, a distance of approximately 16 miles, offers an all-year highway open to the public between Merced and the Yosemite Valley. This applicant's access to the Yosemite Valley from Merced via Mariposa and Wawona has heretofore been, and in future must be, seasonal due to the closing of this route by snow conditions during the winter months, the route reaching an elevation of 6256 feet at the summit (Chinquapin Ranger Station), whereas the maximum elevation on the route between Merced and El Portal is 2973 feet, being found at Bear Creek Summit between Maricopa and Briceburg. The development of Yosemite National Park

as to all of its activities has been delegated to the Yosemite Park and Curry Co. by the Federal Government and under a contract heretofore mentioned. Under this contract the Yosemite Park and Curry Co. is obligated to make material expenditures for the benefit of the public and adequate transportation within the park boundary is also a requirement imposed by federal authority. The record shows the consolidation of the stage lines within the park boundary to have been arranged for with the approval of the national park officials. One of these lines has operated continuously since 1864, commencing with horse drawn stages, long prior to the construction of the Yosemite Valley Railroad. The line from Merced to Mariposa operated under certificate from this Commission as granted on March 3, 1920, by Decision No. 7207 on Application No. 5052. The line from Mariposa to Briceburg operated under certificate from this Commission as granted on March 6, 1923, by Decision No. 11750 on Application No. 8738. It therefore appears that claims as regards priority rights or historical record as to earliest method of access to Yosemite Valley are equally present with each applicant. It is equally certain that the establishment of service between Merced, Mariposa and Briceburg would duplicate already existing stage service against which there has been no complaint as to rates, schedules or other features of operation.

The extensive development of the attractiveness

of Yosemite National Park with the winter season being pioneered and intensive effort being made to augment normal vacation and summer travel should develop business sufficient for both carriers, but to retain its just proportion of such new and developing business activity must be shown and genuine effort expended. The Yosemite National Park is intended to be a playground for the people, not alone of California but for all other states.

Consistent effort is made by the federal officials in charge of the National Parks to attract the public and to render the park accessible to all classes of citizens, and in this development the Yosemite Valley Railroad must participate fully if it is to enjoy a return from passenger revenue to be derived from such source.

After full and careful consideration of the record and the many exhibits therein we conclude therefrom that public convenience and necessity will best be served by the conditional granting of both applications, thereby preserving for the public the competition heretofore present as regards access by a choice of either train or stage to the Yosemite National Park. The order will provide for an equalization of the round trip rates proposed, and for an adjustment as to the free baggage privilege .

No showing having been made by applicant Yosemite Park and Curry Co. for the transportation of express, such portion of said application will be denied.

O R D E R

Public hearings having been held on the above entitled applications, the matters having been consolidated for the purpose of receiving evidence and for decision, having been duly submitted, the Commission being now fully advised and basing its order on the statements and findings of fact as appearing in the opinion which precedes this order,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY
DECLARES that public convenience and necessity require the

operation by Yosemite Park and Curry Co., a corporation, of an automobile stage line as a common carrier of passengers and baggage between Merced and El Portal via Mariposa, Briceburg and the recently completed state highway between Briceburg and El Portal, not as a new and separate operating right but as additional to and a portion of the stage system operated by said Yosemite Park and Curry Co. to, from and in Yosemite National Park insofar as said operation is subject to the jurisdiction of this Commission, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be, and the same hereby is granted to Yosemite Park and Curry Co., a corporation, for the operation of an automobile stage line as a common carrier of passengers and baggage in accordance with and over the route hereinabove set forth in the foregoing declaration; provided, however, that the authority hereby conveyed does not authorize the carriage of express matter between Merced and El Portal either locally or as part of any through operation created by authority hereby conferred for through operation of stages for the transportation of passengers and baggage; and, provided, further, that the right and privileges hereby granted are subject to the following conditions:

- 1- Applicant Yosemite Park and Curry Co., shall file with the Railroad Commission its written acceptance of the certificate herein granted within a period of not to exceed twenty (20) days from date hereof; shall file, in duplicate, tariff of rates and time schedules within a period of not to exceed thirty (30) 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 sixty (60) 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 Yosemite Park and Curry Co., unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY
DECLARES that public convenience and necessity require the opera-
tion by Yosemite Valley Railroad Company, a corporation, of an
automobile stage line as a common carrier of passengers and bag-
gage between Merced and El Portal, via Mariposa, Briceburg and the
recently constructed state highway between Briceburg and El Portal,
as a co-ordinated service with the railroad service now operated
by said applicant between Merced and El Portal provided, however,
that no service shall be rendered locally to intermediate points
between Merced and Briceburg; that the round trip fare between
Merced and El Portal shall be reduced to \$6.75; and that the free
baggage allowance of 150 lbs. for each full-fare ticket shall be
reduced to 40 lbs.

IT IS HEREBY ORDERED that a certificate of public convenience
and necessity be and the same hereby is granted to Yosemite Valley
Railroad Company, a corporation, for the operation of an automobile
stage line as a common carrier of passengers and baggage between
Merced and El Portal, via Mariposa and Briceburg, and subject to
the following conditions:

- 1- The authority hereby conveyed does not include the
right to transport express or freight, being limited
to the carriage of baggage on the basis of 40 lbs. of
baggage being handled free on each first-class ticket.
- 2- No authority is hereby conferred for the transportation
of passengers locally to points intermediate between Merced
and Briceburg.
- 3- Applicant, Yosemite Valley Railroad Company, shall
file with the Railroad Commission its written acceptance
of the certificate herein granted within a period of not
to exceed twenty (20) days from the date hereof; shall
file, in duplicate, tariffs of rates and time schedules
within a period of not to exceed thirty (30) days from
date hereof, such tariffs of rates and time schedules to
be in accordance with those attached to the application
herein and amended to conform to the conditions in the
foregoing declaration, and/or in form and substance satis-
factory to this Commission; and shall commence operation
of said service within a period of not to exceed sixty (60)
days from date hereof.
- 4- No vehicle may be operated by applicant Yosemite Val-
ley Railroad Company unless such vehicle is owned by said
applicant or is leased by it under a contract or agreement
on a basis satisfactory to the Railroad Commission.

5- 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.

For all other purposes than those hereinabove referred to in this order, the effective date of this order is hereby fixed as twenty (20) days from the date hereof.

Dated at San Francisco, California, this 9th day of November, 1926.

H. B. Burdick

C. C. Harvey

Frank West

Thos. S. Rauten
COMMISSIONERS.