

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of UNION TRACTION COMPANY and of AUTO TRANSIT COMPANY for an order of the Railroad Commission authorizing said Union Traction Company to assign, transfer and convey to Auto Transit Company, and authorizing Auto Transit Company to accept an assignment of certificate of public convenience and necessity issued to said Union Traction Company by the Railroad Commission in and by its Decision No. 13905, and authorizing Auto Transit Company to execute a contract with Coast Counties Gas and Electric Company, a copy of which is hereunto annexed, marked Exhibit "A" and made a part hereof.

ORIGINAL

Application No. 13318

Leo H. Susman, for Applicants.

Bert B. Snyder, for Seabright and Twin Lakes property owners, interested parties.

BY THE COMMISSION:

O P I N I O N

Applicants, Union Traction Company and Auto Transit Company, corporations, have petitioned the Railroad Commission for an order authorizing said Union Traction Company to assign, transfer and convey to said Auto Transit Company, and authorizing said Auto Transit Company to accept an assignment of the operative right of said Union Traction Company granted under Decision No.

1.

13905, dated August 9, 1924, on Application No. 9875; and also for an order authorizing said Auto Transit Company to purchase from Coast Counties Gas & Electric Company the personal property hereinafter described and upon the terms and conditions set forth in that certain contract, a copy of which is annexed to said application and marked Exhibit "A."

A public hearing was conducted in the above application, before Examiner Satterwhite at Santa Cruz, the matter was submitted, and is now ready for decision.

There was no opposition to the granting of said application.

Official representatives of each of the applicants were called as witnesses at the hearing. The evidence shows that the Union Traction Company has for some time past been operating auto busses as a common carrier of passengers between Santa Cruz and Capitola and between Santa Cruz and Twin Lakes and intermediate points, pursuant to the certificate of public convenience and necessity as hereinabove referred to.

Auto Transit Company operates auto busses as a common carrier of passengers between San Francisco and Monterey, Hollister and Salinas by way of Santa Cruz and Watsonville, pursuant to certificates authorizing such operation as heretofore issued by this Commission.

The record shows that the Union Traction Company desires to assign, transfer and convey to said Auto Transit Company the above named operative rights for the reason that the Union Traction Company ever since it has been operating said auto busses between Santa Cruz and Capitola and Twin Lakes has been operating said ser-

vice at a loss. It appears that ever since the commencement of this service that the Union Traction Company has never received a gross revenue sufficient to pay its operating expenses and taxes and maintain a reasonable depreciation reserve and it is the belief of this applicant that the same conditions will continue in the future as in the past.

Auto Transit Company desires to purchase said operative rights for the reason that it operates a profitable auto bus service extending from San Francisco to Monterey, Hollister and Salinas by way of Santa Cruz and Watsonville and could operate the auto bus service of the Union Traction Company over and along its route between Santa Cruz and Capitola and Santa Cruz and Twin Lakes to much better advantage than the Union Traction Company.

George E. Higgins, President of Auto Transit Company, testified at the hearing to the effect that Auto Transit Company enjoyed an excellent patronage over its present lines and was doing a profitable business and that it was his opinion that his company could take over the auto bus service between Santa Cruz, Capitola and Twin Lakes and by operating it in conjunction with and as a part of and as an extension to the present operative rights of Auto Transit Company between San Francisco and Santa Cruz and other points could give the service without suffering any loss. During the summer season, which lasts about four or five months, it appears that there is a very heavy travel between San Francisco and Santa Cruz, as well as between Santa Cruz, Capitola and Twin Lakes, and if the auto bus service now operated between Santa Cruz and Capitola and Twin Lakes were combined with the service of Auto Transit Company between San Francisco and Santa Cruz, it could be operated to the advantage and to the best interest, not only of the

applicants herein, but to the general public as well.

Applicants offered in evidence a written agreement with the Coast Counties Gas & Electric Company, being Exhibit No. 1, which shows that the following are the busses proposed to be transferred, to-wit:

One (1) Mack Auto Bus, bearing Engine No.
A-42989B, 1924 Model.

One (1) Mack Auto Bus, bearing Engine No.
A-42932B, 1924 Model.

One (1) Reo Auto Bus, bearing Engine No.
87044, 1925 Model.

Three (3) fare boxes and three (3) spare
tires attached respectively
to the aforesaid busses.

The testimony shows, and it is provided in the agreements herein referred to, that transfers shall be exchanged between Auto Transit Company and Union Traction Company for transportation upon the said Santa Cruz and Capitola line; Santa Cruz and Twin Lakes lines, and the Westside lines of the Traction Company, so long as said Westside lines shall be operated, the apportionment for said transfers to be determined by the Railroad Commission or by private ^{ment} agreement of said parties.

After careful consideration of the evidence in this proceeding, we are of the opinion that the application should be granted.

O R D E R

A public hearing having been held in the above entitled application, the matter having been submitted and being now ready for decision.

IT IS HEREBY ORDERED that said application be and the same

is hereby granted, subject to the following conditions:

1. Auto Transit Company is hereby authorized to operate said bus service between Santa Cruz and Capitola and Santa Cruz and Twin Lakes and intermediate points, as an extension of, in conjunction with, and as a part of the present operative rights of said Auto Transit Company between San Francisco and Santa Cruz and other points now owned and operated by said Auto Transit Company.
2. The consideration to be paid for the property herein authorized to be transferred shall never be urged before this Commission or any other rate fixing body as a measure of value of said property for rate fixing, or any purpose other than the transfer herein authorized.
3. Applicant, Union Traction Company, shall immediately withdraw tariff of rates and time schedules on file with the Commission covering service, certificate for which is herein authorized to be transferred. Such withdrawal to be in accordance with the provisions of General Order No. 51.
4. Applicant, Auto Transit Company, shall immediately file, in duplicate, in its own name, tariff of rates and time schedules covering service heretofore given by applicant, Union Traction Company, which rates and time schedules shall be identical with the rates and time schedules now on file with the Railroad Commission in the name of applicant, Union Traction Company, or rates and schedules satisfactory in form and substance to the Railroad Commission.
5. The rights and privileges herein authorized may not be sold, leased, transferred nor assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured.
6. No vehicle may be operated by applicant, Auto Transit 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.

Dated at San Francisco, California, this 11th day of
December, 1926.

L. P. Brundage
C. A. Sawyer
Frank J. ...
Leon ...
Thos. D. ...
Commissioners.