

ORIGINALDecision No. 19167

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 C. C. COCHERAN, for a certificate of)
 public convenience and necessity to)
 operate an auto stage line for the)
 transportation of passengers, baggage) Application
 and express, for compensation, between) No. 12474
 Sacramento and Chico, California, and)
 intermediate points, via Verona, Yuba)
 City, Marysville, Live Oak and)
 Durham, California.)

Sanborn & Roehl and De Lancey C. Smith, by
 A. B. Roehl, and Ray Manwell, for Applicant.

Chas. R. Detrick, R.D. Williams, and L.I. McKim,
 for Sacramento Northern Railroad, Protestant.

Edward Stern, for American Railway Express
 Company, Protestant.

F.W. Meilke and V.E. Etkorn, for Southern
 Pacific Company, Protestant.

Henry E. Holmes, for Garden Highway Truck Line.

BY THE COMMISSION -

OPINION

C. C. Cochran has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by him of an automobile stage service as a common carrier of passengers, baggage and express, for compensation, between Sacramento and Chico and intermediate points, via the Garden Highway between Sacramento and Yuba City, and via the State Highway, with diversions therefrom, between Marysville and Chico. The service herein sought is supplemental to and an extension of applicant's present authorized service between Sacramento and Marysville and intermediate points, via the Garden Highway, as operated pursuant to the provisions of this Commission's Decision No. 15013 on Application No. 10598, decided June 6, 1925. No authority is herein sought for the transportation of passengers, baggage or express locally between

Marysville and Yuba City.

Public hearings on this application were conducted by Examiner Handford at Marysville and Chico, the matter was duly submitted and is now ready for decision.

Applicant proposes to charge rates in accordance with a schedule marked "Exhibit A" as filed with and made a part of the application herein; to operate on a schedule of three round trips daily between Sacramento and Chico with two additional round trips daily between Marysville and Chico; using as equipment, in addition to that now operated on the authorized line of applicant, two new 18 passenger automobile stages and such other and additional equipment as may be required by the traffic demands. Applicant proposes to serve as intermediate points the communities at Arvalt, Picnic Grounds, Power Road, Elkhorn Ferry, Power House, Verona, Shields, Nicolaus, Wilson School, Tudor, Knights Landing Junction, Oswald, Bogue, Yuba City, Marysville, Live Oak, Gridley, Biggs, Y Station, Richvale, Nelson and Durham; no service being proposed locally between Marysville and Yuba City.

Applicant relies as justification for the granting of the desired certificate upon the following alleged facts: that there is no automobile stage service now operating between Sacramento and Chico over the proposed route except the existing line of applicant between Sacramento and Marysville; that the proposed route offers a short and attractive scenic route, through the center of the Sacramento Valley, between Sacramento and Chico and the intermediate points hereinabove mentioned; that since the establishment of applicant's present authorized service between Sacramento and Marysville, exclusive of through operation between said termini, there has been a continued demand on the part of the public for the establishment of an auto stage service for the transportation of passengers, baggage and express packages between Sacramento and Marysville-Yuba City and intermediate points, and between Marysville-Yuba City and Chico and intermed-

iate points, and applicant requests authority to care for such public demand; and that applicant, by reason of his investigation of the traffic conditions along the proposed route, believes the public convenience and necessity requires the establishment of the proposed service.

C. C. Cochran, applicant herein, testified as to commencing his investigation regarding the proposed stage line in November, 1925; and continuing same until the date of hearing; that such investigation had shown an average of 3 to 4 inquiries daily for service from Marysville to Sacramento via the Garden Highway, an equal number from Sacramento to Marysville, and from 4 to 5 daily inquiries at Sacramento for transportation to points north of Marysville. Witness proposes to purchase a new car of large passenger capacity for use on the proposed run and to supplement it with further equipment to meet the demands of traffic. Witness possesses the necessary financial ability to provide equipment and has had many years experience in the operation of stage service.

I. B. Fallor, employed as express agent at the Motor Carriers' Terminal at Sacramento testified regarding the inquiries received for transportation from Sacramento to Marysville via the Garden Highway and to points north of Marysville. During a 58 day period an average of 9 inquiries daily were received for points north of Marysville to and including Chico, and an average of 6 inquiries daily for Marysville. An average of 2 inquiries daily were received for transportation of express parcels to points on the Garden Highway between Sacramento and Marysville.

Twenty eight witnesses testified in favor of the application, thirteen as regards the need for ^{passenger} transportation and twenty favoring the granting of the express privilege sought. These witnesses resided in Sacramento, Yuba City, Marysville, Chico and other points along the route proposed to be served.

The granting of the application is endorsed by the Chamber of Commerce of Biggs, the Board of Trustees of the City of Biggs and by a petition signed by 567 residents of Biggs, Oroville, Durham, Richvale, Chico, Red Bluff, Gridley, Yuba City, Nelson, Nicolaus, Sacramento, Marysville, Verona, Tudor and Live Oak.

Sacramento Northern Railroad, Southern Pacific Company and American Railway Express Company protest the granting of the application, basing such protest on the contention that the territory sought to be served is now adequately provided with facilities for the transportation of passengers and express.

Exhibits presented by Sacramento Northern Railway show a decreasing net revenue from passenger train operation, the record for the past five years being as follows:

	<u>YEAR</u>				
	<u>1922</u>	<u>1923</u>	<u>1924</u>	<u>1925</u>	<u>1926</u>
Passenger Train Earnings	\$ 664,603	619,549	510,043	472,814	448,321
Operating Expenses including taxes	<u>603,524</u>	<u>633,746</u>	<u>586,498</u>	<u>565,242</u>	<u>532,200</u>
Net Earnings	\$ 61,079	14,197*	76,455*	92,428*	83,879*

Note: (*) indicates deficit.

This protestant's exhibits also show the results of checks of travel between Chico and Marysville made during two representative periods as follows:

<u>Period</u>	<u>Number of trains</u>	<u>Seating Capacity</u>	<u>Maximum Seats Occupied</u>	<u>Percentage seats occupied to total seating capacity</u>
Dec. 5 to Dec. 11, 1926, inc.	84	6841	1604	23.44%
Jan. 9 to Jan. 15, 1926, inc.	84	6636	1682	25.34%

Protestant, Southern Pacific Company, filed exhibits showing service rendered between Sacramento, Marysville and Chico, also fares and time consumed between such terminals. Two checks of travel between Sacramento and Chico for representative periods show the following results:

<u>Period</u>	<u>Number of trains</u>	<u>Seating Capacity</u>	<u>Maximum Seats Occupied</u>	<u>Percentage Seats Occupied to total Seats Avail- able</u>
Apr. 10 to Apr. 16, 1926, inc.	42	6307	1474	23.37%
Feb. 9 to Feb. 11, 1926, inc.	16	2401	908	37.61%

Protestant, American Railway Express Company, filed exhibits showing schedule of passenger trains on which express was carried, facilities available at points proposed to be served by applicant, and rates applicable to the transportation of express matter.

Protestants called 151 witnesses and by stipulation the testimony of 18 additional was received. These witnesses included residents and business men of Durham, Chico, Gridley, Durham Land Colony, Marysville, Live Oak and Yuba City. The testimony of these witnesses was substantially to the effect that they used, or had used, the facilities of the existing authorized carriers and had found same adequate for their needs; and that there was no need for additional service as proposed by applicant. It is of interest to note that of the 169 witnesses whose testimony was presented in behalf of the protestants, 141 owned automobiles which were used for travel in practically all instances as much as were the facilities of the rail carriers, and many witnesses used their automobiles exclusively and had no need for the service offered by either the applicant or the existing carriers.

The record shows passenger service available to the public between Chico and Marysville by 9 round trips daily, 3 by the Southern Pacific Company and 6 via the Sacramento Northern Railway, between Marysville and Sacramento by 16 round trips daily, 3 by Southern Pacific Company, 6 by Sacramento Northern Railway, 2 by Western Pacific Railroad, and 5 by California Nevada Stages, Inc. Express service is available over the American Railway Express Co. by 8 round trips between Sacramento and Marysville and 5 round trips between Marysville and Chico. California-Nevada Stages also transport express, limited to a weight of 100 pounds to the individual package, on the 5 round trips scheduled between Marysville and Sacramento.

After full consideration of the evidence and exhibits herein we are of the opinion and hereby find as a fact that the public convenience and necessity does not require the establishment of the proposed through passenger and express service between Sacramento and Marysville-Yuba City nor between Marysville and Chico and intermediate points as an extension of applicant's authorized service as now operated under the provisions of Decision No. 15013 on Application No. 10598 as decided June 6, 1925, the record herein showing ample facilities available for the public as regards passenger and express traffic to the several communities sought to be served. While the applicant proposes service to points on the highway and such service would afford a convenience to residents so located the volume of traffic so originating would not produce sufficient revenue to justify the expense of operation unless the traffic to and from the points already adequately served by the rail lines was to be included.

As to the handling of express matter we are of the opinion and hereby find as a fact that the service, limited to packages not exceeding 100 pounds in weight, is required by public convenience and necessity over the route between Sacramento and Marysville, exclusive of through operation between such termini, and the order herein will so provide.

O R D E R

Public hearings having been held on the above entitled application, the matter having been duly submitted, the Commission being now fully advised and basing its order on the 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 do not require the operation by C. C. Cochran of an automobile service as a common carrier of passengers between Sacramento, Marysville, Yuba City and Chico, and intermediate points between Marysville and Chico, nor the carriage of express packages over said route except insofar as the carriage of express is hereinafter authorized.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY FURTHER DECLARES that public convenience and necessity require the operation by C.C. Cochran of an express service in conjunction with and as a part of said C.C.Cochran's present passenger operative rights between Sacramento and Marysville and intermediate points, via the Garden Highway, provided that no local service shall be rendered between Marysville and Yuba City, nor between Sacramento and Yuba City or Sacramento and Marysville, and provided, further, that the express parcels shall not exceed a weight of one hundred (100) pounds per unit and are to be carried only on the passenger stages of applicant.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same hereby is granted to C.C.Cochran for the carriage of express parcels not exceeding a weight of one hundred (100) pounds per unit, only when carried on the passenger stages of applicant, not as a new and separate operation but as a part of and in conjunction with the passenger and baggage rights of said applicant as heretofore granted by this Commission in its Decision No.15013 on Application No.10598, as decided

June 6, 1925, over the route and with the restrictions as set forth in the foregoing declaration, 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.

2- Applicant shall file, in duplicate, within a period of not to exceed thirty (30) days from the date hereof, tariff of rates and time schedules, such tariffs of rates and time schedules to be identical with those attached to the application herein, or rates and time schedules satisfactory to the Railroad Commission, and shall commence operation of said service within a period of not to exceed sixty (60) days from the date hereof.

3- 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.

4- 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.

IT IS HEREBY FURTHER ORDERED that as to all other matters except the carriage of express this application be and the same hereby is denied.

The effective date of this order is hereby fixed as twenty (20) days from the date hereof.

Dated at San Francisco, California, this 23rd day of December, 1927.

Edmund J. [Signature]
[Signature]
Leon [Signature]
[Signature]
[Signature]
COMMISSIONERS.