Decision No. 29859

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of GEORGE S. JONES COMPANY, a corporation, for a certificate of public convenience and necessity to operate an automobile stage line between Petaluma, Sonoma County, and Vallejo, Solano County, and to extend the present service of the applicant from Boyes Springs, Sonoma County, to Agua Caliente Springs, Sonoma County.

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(Amended and Supplemental)

H. W. Hobbs, for applicant Southern Pacific Motor Transport Company, successor to George S. Jones.Company.

C. E. Brown, for San Francisco, Napa and Calistoga Railway, Interested Party.

EY THE COMMISSION:

<u>O P I N I O N</u>

On March 9, 1927, the George S. Jones Company, a corporation, filed an application with this Commission for a certificate of public convenience and necessity to operate an automobile stage transportation line for passengers, baggage and express between Petaluma and Vallejo and to extend its service from Boyes Springs to Agua Caliente Springs. At a hearing on this application it developed that the Sears Point toll road over which the proposed service was to be rendered in part was not completed, and the application was therefore temporarily removed from the calendar. In the meantime, Southern Pacific Motor Transport Company acquired all the rights of George S. Jones Company in and to the above described application and is now the successor in

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interest of said George S. Jones Company. In its emended and supplemental application, Southern Pacific Motor Transport Company requests the order of the Commission substituting Southern Pacific Motor Transport Company as the party applicant in the instant application in the place and stead of George S. Jones Company, and further requests permission to establish service as a common carrier for the transportation by automobile stage of passengers, baggage and express matter, the latter in parcels not exceeding one hundred pounds in weight each between Petaluma and Vallejo and intermediate points. Applicant also requests permission to carry express in parcels not exceeding one hundred pounds in weight each between Lakeville and Boyes Springs on the operation between these points acquired from George S. Jones Company, and that it be authorized to consolidate the operative rights herein prayed for, each with the other, and with each of the operative rights now owned and operated by applicant. Proposed fares and rates, time schedule and equipment to be operated are attached to and made a part of the application.

A public hearing was held before Examiner Cannon at Petaluma at the conclusion of which the matter was submitted and is now ready for decision.

The following alleged conditions are relied upon by applicant as justification for the granting of the application:

- 1. There is no direct public transportation service between Petaluma and Vallejo and the greater portion of the territory to be served has no transportation service of any kind.
- 2. It is impossible, under present conditions, for a passenger to travel from one of these points to the other and return the same day.
- 3. That the proposed service can be coordinated with existing stage and train operations, thus affording close connections to points in the territory directly to be served as well as to

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points beyond.

4. That, as to the points proposed to be served, there is no present service covering the transportation of express matter, for which there appears to be a substantial public demand.

The existing service between Vallejo and Petaluma is either by Southern Pacific train from Vallejo to Santa Rosa and thence by electric line to Petaluma, or from Vallejo to Oakland and across the bay to San Francisco and thence by Northwestern Pacific rail line to Petaluma. This routing applies to passengers as well as express shipments, and involves numerous transfers, particularly the route via San Francisco.

The superintendent of the applicant company testified that it is proposed to operate two round-trips daily the year round, between Vallejo and Petaluma and two round trips daily the year round, between Petaluma and Boyes Springs, and consolidate these operations. His company at present maintains a six months' operation between Petaluma and Boyes Springs. The only regular service over the route proposed to be served is between Reclamation and Sears Point, a distance of two miles, and aside from this for six months in the year the entire territory is without transportation of any kind. The witness testified that the toll road over which it is proposed to route the service is now completed and in operation.

Another operating witness of applicant company offered several exhibits which set forth the saving in time and fares which would be accomplished under the schedules proposed in the application, as compared to the various routes now available.

Applicant produced a number of witnesses who testified that there exists an urgent need for this service and that

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they would make use of it both for passenger transportation and express. The application is endorsed by the Petaluma Chamber of Commerce, the Vallejo Chamber of Commerce, and the City Council of Vallejo. The application was not protested.

We have given consideration to the evidence in this proceeding and are of the opinion that the public interest requires the granting of the application and the consolidation of rights herein granted with the operative rights between Napa and Santa Rosa and intermediate points now owned and operated by applicant, and the order will so provide. The two terminal points involved are separated by a distance of only 29 miles and at present are deprived of direct transportation facilities. Moreover, the saving in time and the elimination of various changes will contribute to a closer relationship between the communities affected. The request for authority to extend the original Petaluma-Boyes Springs route to Agua Caliente is hereby denied, no evidence as to the necessity for the extension having been offered.

Southern Pacific Motor Transport Company is hereby placed upon notice that "Operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the State which is not in any respect limited to the number of rights which may be given.

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ORDER

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

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require the substitution of Southern Pacific Motor Transport Company in the place and stead of George S. Jones Company in Application No. 13592, and

IT IS HEREBY FURTHER DECLARED that public convenience and necessity require the operation by Southern Pacific Motor Transport Company of a daily, year round automotive stage service for the transportation of passengers, baggage and express, the latter to be limited to parcels not to exceed 100 pounds in weight each, between Petaluma and Vallejo and intermediate points, via Lakeville, Sears Point, the Black Point Cut-Off, and the Sears Point-Vallejo toll road; for the transportation of express in parcels not exceeding 100 pounds in weight each between Lakeville and Boyes Springs; (express in both instances to be transported on passenger stages of applicant) and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and the same is hereby granted to Southern Pacific Motor Transport Company subject to the following conditions:

> 1. Applicant shall file its 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 twenty (20) days from the date hereof, tariff of rates and time schedules, such tariff of rates and time schedules to be those attached to the application herein, or rates and time schedules satisfactory to the

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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 it under a contract or agreement on a basis satisfactory to the Railroad Commission.

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

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby further declares that public convenience and necessity require the consolidation and unification of the rights herein granted, namely the right to transport passengers, baggage and express between Petaluma and Vallejo and intermediate points, and the right to transport express between Lakeville and Boyes Springs and intermediate points, with the operating right acquired by Southern Pacific Motor Transport Company from the George S. Jones Company by Decision No. 19965, which right authorizes an automotive transportation service for passengers between Petaluma and Boyes Springs and intermediate points via Lakeville, Shellville and Sonoma, and the consolidation of said consolidated and unified right with the right to transport passengers, baggage and express between Napa and Santa Rosa and intermediate points acquired by Southern Pacific Motor Transport Company from Mrs. A. Dunham by Decision No. 19170; which right was subsequently enlarged by Decision No. 19284 and Decision No. 19826, and

IT IS HEREBY FURTHER ORDERED that a cortificate of public convenience and necessity authorizing the consolidation and unification of the rights hereinabove described be and the same is hereby granted to Southern Pacific Motor Transport

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Company; provided that said order of consolidation shall not be construed as authority to operate any lesser service than that heretofore and herein authorized.

Dated at San Francisco, California, this _// day of March, 1929.

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