

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of Application of SOUTHERN PACIFIC COMPANY for authority to discontinue operation of its ferry steamer service between Vallejo Junction, in Contra Costa County, and South Vallejo terminal and Georgia Street Wharf in Vallejo, in Solano County, California.

Application No. 14085.

In the Matter of Application of SOUTHERN PACIFIC MOTOR TRANSPORT COMPANY for a certificate of public convenience and necessity to operate motor vehicle service for the transportation of passengers, baggage and express as a common carrier between Southern Pacific Company's stations at Crockett and Vallejo, California; the express business over said line to be operated by American Railway Express Company under lease.

Application No. 14086.

In the Matter of the Application of SOUTHERN PACIFIC COMPANY for authority to discontinue operation of Trains Nos. 154 and 157 between South Vallejo and Calistoga and Trains Nos. 166-167, 170-171; 168-169 and 172-173 between South Vallejo and Suisun-Fairfield, California.

Application No. 14758.

In the Matter of Application of SOUTHERN PACIFIC MOTOR TRANSPORT COMPANY for a certificate of public convenience and necessity to operate a motor vehicle service between Crockett and Calistoga and between Napa-Suisun Forks (Sacramento Junction) and Suisun, as a common carrier of passengers and their baggage and for express of the American Railway Express Company in substitution for Southern Pacific trains Nos. 154 and 157, and Nos. 166-167, 170-171, 168-169, 172-173 between the points mentioned above, and to consolidate the rights herein sought with its operations between Napa and Santa Rosa; and to reopen Application No. 14086.

Application No. 14760.

In the Matter of the Application of CALIFORNIA TRANSIT CO., a corporation, for a certificate of public convenience and necessity for the operation of an automobile stage line for the transportation of persons and express between Vallejo and Calistoga, California, and intermediate points.

Application No. 14898.

E. J. Foulds and H. W. Hobbs for Southern Pacific Company and Southern Pacific Motor Transport Company, Applicants in Applications Nos. 14085, 14086, 14758 and 14760 and Protestants to Application No. 14898.

Earl A. Bagby for California Transit Company, Applicant in Application No. 14898 and Protestant to Applications Nos. 14085, 14086, 14758 and 14760.

Frank L. Coombs and Nathan F. Coombs, by Nathan F. Coombs and E. J. Hoffman, for Napa Valley Bus Company and San Francisco, Napa and Calistoga Railway, Protestants to Application No. 14898.

Edward Stern for American Railway Express Company in favor of Applications Nos. 14085, 14086, 14758 and 14760 and Protestant to Application No. 14898.

Sam Aronson, for Calistoga and Clear Lake Stage Company, interested party.

Devlin and Brookman, by Douglas Brookman, for Monticello Steamship Company, interested party.

Peter tum Suden for American Toll Bridge Company, interested party.

LOUTTIT, COMMISSIONER:

O P I N I O N

Applications Nos. 14085 and 14086, being applications respectively for permission by the Southern Pacific Company to discontinue the operation of the ferry boat between Vallejo Junction and Vallejo and by the Southern Pacific Motor Transport Company to operate motor vehicles for the transportation of passengers and express between Crockett and Vallejo, were filed, public hearings on said applications were held and the matters submitted for determination. Before these applications had been decided Application No. 14758, Southern Pacific Company to discontinue passenger train service between Vallejo, Calistoga and Suisun-Fairfield, Application No. 14760, Southern Pacific Motor Transport Company to operate motor vehicles for the transportation of persons, baggage and express between Crockett, Calistoga and Suisun-Fairfield, and Application No. 14898, California Transit Company to operate motor vehicles for the transportation of persons and express between Napa and Calistoga, were filed.

The Commission made an order setting aside the submission of and reopening for further hearing Applications Nos. 14085 and 14086 and consolidating them for hearing and decision with Applications Nos. 14758, 14760 and 14898. At the hearing of the consolidated proceeding and on stipulation of the parties, the record in proceedings Nos. 14085 and 14086 was made a part of the record of the consolidated proceeding.

California Transit Company protested the granting of Applications Nos. 14086 and 14760. Southern Pacific Company, Southern Pacific Motor Transport Company and San Francisco, Napa and Calistoga Railway, which latter company operates an electric railway for the transportation of both passengers and freight between Vallejo and Calistoga, protested the granting of Application No. 14898.

Since the submission of the matter, the California Transit Company, the Southern Pacific Company and Southern Pacific Motor Transport Company have filed a stipulation under the terms of which the California Transit Company withdraws any opposition made in the proceeding to the granting of any or all of the applications of the Southern Pacific Company or the Southern Pacific Motor Transport Company, and the two latter companies withdraw objections to California Transit Company's Application No. 14898.

Application No. 14085 seeks authority to discontinue the operation of applicant Southern Pacific Company's ferry steamer between Vallejo Junction in Contra Costa County and Vallejo in Solano County, California; Application No. 14758 is an application seeking authority to abandon passenger train and express service between Vallejo and Calistoga and between Vallejo and Suisun-Fairfield.

The main line of the Southern Pacific Company is located on the southerly shore of San Pablo Bay and Carquinez Strait; Vallejo

is situated on the northerly shore of Carquinez Strait. The connection between the main line and the branch lines of the Southern Pacific Company radiating out of Vallejo now is and for many years last past has been performed by operation of the ferry boat between the station on the main line known as Vallejo Junction and the wharf at South Vallejo in Vallejo; the method of operation being to transfer passengers from the train to the ferry boat at Vallejo Junction, transporting them across the Strait to the Vallejo Street Wharf, Vallejo, where they are again transferred to the branch line trains. For many years past the Southern Pacific Company has operated branch lines from Vallejo north, one having its terminus at Santa Rosa, another at Calistoga, and another at Suisun-Fairfield.

All passengers having occasion to use any of these branch lines are compelled to make the changes from train to ferry boat and ferry boat to train as above set forth.

At the time the applications were filed the Southern Pacific Company was operating seven round trips daily by ferry boat between Vallejo Junction and Vallejo, one round trip (Trains Nos. 154 and 157) from Vallejo to Calistoga, and two round trips (Trains Nos. 166-167, 168-169, 170-171 and 172-173) between Vallejo and Suisun-Fairfield.

The testimony in this proceeding shows that Calistoga now possesses transportation facilities ample for the needs of the traveling public furnished by one round trip of the Southern Pacific Company and the frequent schedules of the San Francisco, Napa and Calistoga Railway.

It also appears from the record herein that the operation of the ferry boat between Vallejo Junction and Vallejo and of passenger trains Nos. 154 and 157 between Vallejo and Calistoga and 166-167, 170-171, 168-169 and 172-173 between Vallejo and Suisun-Fairfield has in the past and for the future will entail a financial loss to the Southern Pacific Company. The average number of passengers carried by the ferry is approximately twelve per day and by

Trains Nos. 154 and 157, thirteen per day. Similar evidence was introduced showing that but few passengers travel on Trains Nos. 166-167, 168-169, 170-171 and 172-173 between Vallejo and Suisun-Fairfield. The evidence in this proceeding conclusively establishes the justification for the abandonment of both the ferry and the train service which applicant petitions to be authorized to abandon.

The Southern Pacific Motor Transport Company is now operating motor vehicles for the transportation of passengers, their baggage and express between Santa Rosa and Napa under a right acquired by purchase authorized by the Commission in its Decision No. 19170 and herein makes application to perform a service consolidated therewith between Crockett, a station on the main line of the Southern Pacific Company, and Vallejo; thence through to the various branch line termini by the operation of motor vehicles for the carriage of passengers, their baggage and the express of the American Railway Express Company, so coordinating its operation with the main line train operations of the Southern Pacific Company that train and motor vehicle connections will be more certainly maintained than any other operation offered or suggested in this proceeding.

There is involved in this application the convenience and necessity of the traveling public having occasion to use transportation facilities between Santa Rosa, Napa and Vallejo; Vallejo, Napa and Calistoga; and Vallejo, Napa and Suisun-Fairfield. The application of the Southern Pacific Motor Transport Company proposes to perform this service by consolidation with such operative rights as may be granted herein with the operating rights it now has between Napa and Santa Rosa. This applicant can, under these consolidated rights, better perform the service necessary for the public in this vicinity than can the other applicant, California Transit Company.

I, therefore, recommend that the application of the Southern Pacific Company for authority to discontinue operation of its ferry steamer service between Vallejo Junction in Contra Costa County and

Vallejo in Solano County, and its application for authority to discontinue operation of Trains Nos. 154 and 157 between Vallejo and Calistoga, and Trains Nos. 166-167, 168-169, 170-171 and 172-173 between Vallejo and Suisun-Fairfield be granted; that the application of the Southern Pacific Motor Transport Company for certificate of public convenience and necessity to operate a motor vehicle service between Crockett, Calistoga and Suisun-Fairfield as a common carrier of passengers and their baggage, and for express of the American Railway Express Company between points above mentioned and to consolidate the rights herein granted with its operations between Napa and Santa Rosa as said rights are set out in Decision No. 19170 of the California Railroad Commission be granted, and that the application of the California Transit Company, a corporation, for a certificate of public convenience and necessity for the operation of an automobile stage line for the transportation of persons and express between Vallejo and Calistoga and intermediate points be denied.

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.

I recommend the following form of Order:

O R D E R

Public hearings having been held in the above entitled applications, the matters having been duly submitted, the Commission being now fully advised and basing its order on the findings

appearing in the opinion preceding this order,

IT IS HEREBY ORDERED that Southern Pacific Company be and it is hereby permitted and authorized to discontinue the operation of ferry and trains, application for which discontinuance is herein made, as follows:

- A. Ferry operated between Vallejo Junction and the City of Vallejo,
- B. Trains Nos. 154 and 157, operated between Vallejo, Napa and Calistoga,
- C. Trains Nos. 166-167, 168-169, 170-171 and 172-173, operated between Vallejo and Suisun-Fairfield,

subject, however, to the conditions that upon the abandonment of said ferry and trains, a motor vehicle service will be provided to the public as set forth hereinafter and that the public and this Commission be given not less than five (5) days notice of such changes, the notice to the public to be posted in the ferry, trains and stations affected.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Southern Pacific Motor Transport Company, a corporation, of an automotive passenger stage service for the transportation of passengers, baggage and express between the passenger stations of Southern Pacific Company at Crockett, Calistoga and Suisun-Fairfield, via the Carquinez Bridge, and the following intermediate passenger stations: South Vallejo, North Vallejo Wharf, Flodden, Napa Junction, Kelly, Napa-Suisun Forks (Sacramento Junction), Napa, Union, Oak Knoll, Truebody, Yountville, Oakville, Rutherford, Zinfandel, St. Helena, Larkmead, Calistoga, Creston, Cordelia, Thomasson, Subeet and Suisun; provided that the express herein authorized to be transported shall be carried in accordance with the rates, rules and regulations of American Railway Express Company (Railway Express Agency, a corporation, successor in interest) now on file with this

Commission in the name of said company, and

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

(1) That the order herein shall be construed only as a grant of a single operating right.

(2) Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from the date hereof.

(3) Applicant shall file, in duplicate, within a period of not to exceed thirty (30) days from the date hereof, tariff of rates fares and time schedules, to be similar to those submitted by applicant at the hearing of this application, or rates, fares and time schedules satisfactory to the Railroad Commission; and shall commence operation of said motor vehicle service on or before August 1, 1929.

(4) The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

(5) No vehicle may be operated by applicant herein unless such vehicle is owned by applicant or is leased by applicant under a contract or agreement on a basis satisfactory to the Railroad Commission.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY FURTHER DECLARES that public convenience and necessity require the consolidation of the right herein granted with operating rights acquired by Southern Pacific Motor Transport Company, under authority of Decision No. 19170; and

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

(1) That the order of consolidation herein shall not be construed as authority to operate any lesser service than was authorized by the original certificates.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY FURTHER DECLARES that public convenience and necessity do not require the operation by California Transit Company, a corporation, of an automotive passenger stage service between Napa and Calistoga and intermediate points, and

IT IS HEREBY FURTHER ORDERED that Application No. 14898, by said California Transit Company, be and the same is hereby denied.

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

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 10th day of June, 1929.

Paul D. Hutton
C. L. Sawyer
Edward Scott
Leon Whitell

Commissioners.