

Decision No. 21709

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CALISTOGA and CLEAR LAKE STAGE CO., a corporation, for a certificate of public convenience and necessity to operate an auto stage line for the transportation of passengers and baggage (for compensation and as a common carrier) between San Francisco and Myrtle Dale Hot Springs, California, by Sausalito and Blackpoint Cutoff, in conjunction with, and as an extension and enlargement of the transportation service now being rendered by applicant between Calistoga and points in Napa and Lake Counties, California.

ORIGINAL

Application  
No. 14900

- Sanborn & Roehl and De Lancey C. Smith, by A.B. Roehl, for applicants.
- H. W. Hobbs, for Southern Pacific Company and Southern Pacific Motor Transport Company, Protestants.
- Raymond T. Mc Glynn, for San Rafael & Sonoma Valley Auto Stage Line, Protestant.
- Geo. S. Held, for Lake County Transportation Company, Protestant.
- R. W. Palmer and Benj. C. Jones, for Northwestern Pacific Railroad Company, Protestant.
- Frank L. and Nathan F. Coombs by Nathan F. Coombs, for San Francisco, Napa & Calistoga Railway Company, Protestant.
- Earl A. Bagby and W. F. Fielder, for California Transit Co., interested party.
- J. S. Josephs, for Monticello Steamship Company, interested party.
- J. A. Ratchford, for San Francisco-Calistoga & Lake County Direct Transportation League.
- H. C. Crawford, District Attorney, Lake County, for County of Lake.

WHITSELL, Commissioner -

O P I N I O N

This application, which is a petition by Calistoga and Clear Lake Stage Co., a corporation, for an order of the Railroad Commission authorizing it to extend the service applicant is now giving between Calistoga and Lake County points from a point described as Myrtle Dale, a short distance from Calistoga, to San Francisco, via Sausalito, over what is

described as Black Point Cut-off, with certain restrictions as to service between points intermediate between Calistoga and San Francisco, was heard and duly submitted and on March 27, 1929, the Commission, in its Decision No.20914, made its order denying the certificate sought. An application for a rehearing was filed and on April 29, 1929, an order of the Commission was made denying a rehearing. On August 13, 1929, the Commission, good cause appearing, made its order setting aside its Decision No.20914 and reopened the matter for further hearing. The matter was assigned to me and on September 4, 1929, I held a public hearing at Calistoga. Previously public hearings on this application were conducted by Examiner Handford at Middletown, Lakeport, Calistoga, St. Helena and San Francisco. The matter was submitted and is now ready for decision.

Applicant proposes to charge passenger rates 10% lower than those shown in schedule filed as Exhibit "A" and attached to the application, having offered an amendment to that effect at the final hearing in this proceeding. Two round trips daily between San Francisco and Calistoga, serving Myrtle Dale Hot Springs on call, are proposed. One of the schedules offers through service between San Francisco and Lake County points but there are no schedules offering any local service between points intermediate between San Francisco and Calistoga, as shown by amended exhibit "B". Four parlor car type stages of the latest model and design, each of twenty-six or thirty passenger capacity, together with applicant's present equipment of eleven auto stages with capacities from seven to twenty-two passengers are proposed to be used.

As justification for the granting of the certificate sought applicant declares:

1- That there is no through transportation by auto stage between San Francisco and resorts and springs in Lake County, or between San Francisco and Myrtle Dale Hot Springs or Calistoga, and that insistent and continuous demands have been made upon applicant for the inauguration and maintenance of a through auto stage service between said points, said demand having continued over a long period of time;

2- That property owners in Lake County and those interested in the development of said county aver that the development of Lake County has been greatly retarded by reason of lack of through transportation between points in said county and San Francisco, and because of inconvenience in traveling by the present available transportation facilities;

3- That under present conditions passengers are required to wait over at connecting points for a considerable period of time and that such delays have caused substantial inconvenience and dissatisfaction to the traveling public;

4- That applicant's proposed service is much more expeditious than the transportation service now available between San Francisco and Lake County points, and that transfers at intermediate points will be eliminated to the greater convenience of the traveling public;

5- That the proposed service will afford an expeditious and direct means of public conveyance to those now traveling between San Francisco and Lake County points in privately owned automobiles in preference to using the existing transportation facilities, because of unsatisfactory service.

Sam Aronson, president of applicant corporation, testified as to the numerous inquiries received for the establishment of the proposed service. He stated that many patrons on his present line had requested through stage transportation between San Francisco and Calistoga and Lake County points, basing their objection to the present service on the fact that numerous changes were necessary, including a wait at Calistoga. This witness also testified as to the efforts made since his advent in the company to rehabilitate the line and furnish a more adequate service. New equipment was provided and two voluntary decreases in rates made. Frequent complaints had been made to him, he said, regarding the lack of through automobile service between San Francisco and Calistoga and Lake County points, many former patrons now using their private cars for transportation. Other persons, he said, using their own cars, have advised him they would prefer to use a regular automobile transportation service

if such were available by a through service from San Francisco, thereby eliminating the necessity for transfer enroute. Witness further testified as to his intention to inaugurate an advertising campaign in San Francisco to attract business for his proposed extension and to assist in the development of the resorts, springs, and vacation attractions of Calistoga and Lake County.

William Howard, employed as auditor for applicant, presented an exhibit (Exhibit No.3), outlining the estimated receipts to be derived from and the estimated expenses of, the operation of the proposed extension from Calistoga to San Francisco as regards business to and from Lake County points. The exhibit gives no consideration to any prospective local travel between Calistoga and San Francisco. The conclusion is that the operation proposed would be conducted without loss to the applicant.

Jas. K. Doane, residing at Clear Lake, manager of the Clear Lake Company's properties and president of the Clear Lake Chamber of Commerce, testified that his company owned 3000 acres covering 12 miles of the shore line on the easterly portion of Clear Lake; that the development of his company's property required improved transportation, there being now no satisfactory through public transportation to San Francisco. The majority of San Francisco owners of property at Clear Lake, their visitors and prospective purchasers, said Doane, now use their own cars or are guests of car owners. Witness personally uses his own car for transportation but would use the proposed service as a matter of economy.

At the hearings held before Examiner Handford fifty six witnesses testified in behalf of applicant and by stipulation the testimony of 23 witnesses is also of record. At the final hearing before me it was stipulated by attorneys for applicant and protestants that the testimony of some 165 members of the San Francisco-Calistoga-Lake County Direct Transportation

League, a large number of the members of which, after traveling some distance, appeared at the hearing and affixed their signature to the membership role, would be identical. The eleven members of the League who testified were strongly of the opinion that the existing service, because of the many changes involved, was unsatisfactory and that the proposed extension of the Aronson stage line would prove not only a convenience but was a necessity.

The witnesses who supported the applicant in his request for an extension were hotel and resort owners, merchants, public officials, residents and visitors to Calistoga and Lake County points and representatives of civic and other organizations. All the witnesses expressed their desire for the establishment of the proposed through stage service and their belief that the service would result in more travel to resorts in Calistoga and Lake County and aid in the development of the communities proposed to be served. Many of these witnesses asserted that they would use the proposed service, if authorized, in preference to their present use of their own automobiles.

Resolutions endorsing and favoring the granting of the application were filed by the Clear Lake Chamber of Commerce, the Board of Supervisors of Lake County, the Calistoga District Chamber of Commerce, the Middletown Farm Center, the Town Council of the Town of Calistoga, and Cuenoc Grange No. 373, Patrons of Husbandry of Middletown. Individually, Supervisors of Napa County also endorsed the application. Endorsing resolutions were also received from Clear Lake Parlor No. 135, Native Daughters of the Golden West, and Court Cinnabar, Foresters of America of Middletown. The City Council of Lakeport also endorsed the application.

Among the other witnesses for the applicant were G. P. Dyer, residing near Calistoga, who is a director of the California Development Association, now the State Chamber of Commerce, Mrs. E. E. Athey, county president of the Lake County Federation

of Women's clubs, C. L. Austin, resort owner, and W.R. Corwine.

The granting of the application is protested by Southern Pacific Company, Southern Pacific Motor Transport Company, Northwestern Pacific Railroad Company, San Rafael & Sonoma Valley Auto Stage Line, Lake County Transportation Company, and San Francisco, Napa & Calistoga Railway Company.

Upon stipulation by applicant that no local service was sought between San Francisco and San Rafael, Ignacio, Schellville, Black Point and Sears Point, or any local service intermediate between said communities, and that no subsequent application would be made for such service, the protest of San Rafael & Sonoma Valley Auto Stage Line was withdrawn.

J. Millet, a resident of Lakeport and manager of the Hotel Lakeport, called as a witness for protestant Lake County Transportation Company, testified that his registrations averaged from 20 to 25 per day; that from 10 to 15 of his guests used the Lake County Transportation Company's service each week and that he had received no complaint regarding such service. He said the existing service meets all the requirements of his business. He estimates that approximately 75 to 80 percent of his guests arrive at his hotel by privately owned cars and that the patronage coming to his hotel via the Calistoga gateway to Lake County is divided about equally between privately owned cars and the stage line of the applicant. This witness, however, had signed a petition favoring the granting of the application.

Walter H. Levy, a merchant of Lakeport, and a witness of protestant Lake County Transportation Company, testified that he used the stage service of protestant to Hopland and the rail service of Northwestern Pacific Railroad on his trips to San Francisco and that he had found such service adequate for his needs. He was of the opinion that no additional service was necessary.

Mrs. D. M. Swager, residing at Lakeport and operating a summer resort, called as a witness for Lake County Transportation

Company, testified her resort had a capacity to accommodate about 36 people; that practically all her guests arrived in private conveyances; that she used the combined service of Lake County Transportation Company and Northwestern Pacific Railroad on her trips to San Francisco; and that she knew of no need for additional public transportation for Lakeport. This, in effect, was also the testimony of H. Bush, a resident of Lakeport, and operating a year around cabin resort near that point, and Mrs. Thos. B. Taylor, a resident of Lakeport, both being called as witnesses in behalf of protestant Lake County Transportation Company.

C. E. Brown, vice president and general manager of protestant San Francisco, Napa & Calistoga Railway Company, testified in protest of the application and presented exhibits supporting his protest. This witness attributes the decreasing revenue of his company to the rapidly increasing use of privately owned automobiles by the public and the desire of the public to use automobile transportation. Witness contends that the service of his company in connection with that of the Monticello Steamship Company offers an adequate means of transportation between San Francisco and Calistoga with connection at Calistoga with applicant's present line to Lake County points and that the granting of the application would divert passengers and revenues from his railway, thereby decreasing the passenger revenue and possibly requiring a reduction in a service over that now available to the public.

Residents of St. Helena and Napa testified regarding the satisfactory service now rendered by San Francisco, Napa & Calistoga Railway and as to their opinion that the proposed service might adversely affect the operation of the electric railway by diverting business now carried by such railway and thus be detrimental to the Napa and St. Helena communities.

M. C. Lysinger, manager of the St. Helena Sanitorium, called as a witness for protestant San Francisco, Napa & Calistoga Railway Company, testified as to the satisfactory service available for his institution by the existing carriers. He said he had made no investigation and had no knowledge of the needs or desires of the Calistoga or Lake County communities and testified only as to the position of his institutions.

Col. N. K. Holderman, commandant at the Veterans' Home at Yountville, testified that the veterans' home had a present enrollment of 1362 in addition to 215 civil employees and 19 employed on the post fund; that practically 400 veterans were traveling to or from the home at all times. These veterans all travel on half-fare permits, principally by the San Francisco, Napa & Calistoga Railway. The witness stated his sole concern was the continued maintenance of such privilege and adequate service to enable the reduced rates to be used. The service heretofore given has been satisfactory and witness desires its continuance. Witness said he had no knowledge of the needs of other than the veterans for transportation, or of the needs or demands of other communities for the proposed service. Captain W. E. Horneday of the home testified practically to the same effect.

F. J. Etzkorn, a witness for protestant Southern Pacific Company, presented exhibits showing train service of his company, comparison of fares of his company with those proposed by applicant, existing rail and stage service between San Francisco and Calistoga to Lake County points via Calistoga gateway, ticket sales by his company for month of June, 1928, summer tourist tickets sold during period April to September, 1928, "on and off" check of Vallejo-Calistoga trains for week ending June 22, 1928, and service which would be available between San Francisco and Calistoga and Lake County points if application were to be granted.



Lake County receives public transportation service by two gateways, Calistoga and Hopland. The Calistoga gateway is now served by the applicant, connection from San Francisco being made at Calistoga with the service of the Southern Pacific Company, the San Francisco, Napa & Calistoga Railway Company and the Golden Gate Stages, the latter operating via Santa Rosa.

The proposed through service would require one change at Calistoga, at which point a short lunch or rest stop is scheduled. The service of Southern Pacific Company requires changes at Oakland Pier, Vallejo Junction and South Vallejo; that of San Francisco, Napa & Calistoga Railway at Vallejo; and that of the Golden Gate Stages at Santa Rosa. The latter company is the only one handling passengers to the stage center of San Francisco without the use of street cars or other conveyance.

The combined service of the Lake County Transportation Company and Northwestern Pacific Railroad Company, which serves Lake county via the Hopland gateway, requires two changes; that of the Lake County Transportation Company and Pickwick Stages System one change, although the connections northbound via this route are impractical. Regarding time in transit, San Francisco to Lakeport, the time of the combined Northwestern Pacific Railroad Company and Lake County Transportation Company is 5 hours, 35 minutes northbound, and 6 hours, 2 minutes southbound. One more transfer than is proposed by applicant is required. The time in transit of applicant is 5½ hours in each direction.

The rates proposed by applicant (including the 10% reduction in passenger rates proposed at the final hearing) between San Francisco and Lakeport are slightly less than the rates available by the combination through rate of Lake County Transportation Company and Northwestern Pacific Railroad. They are also less than the existing rates charged by the Southern Pacific and the combination rail-Monticello service and the rates of the

Golden Gate Stages.

The schedules available between San Francisco and Calistoga are set forth in the following tabulations:

NORTEBOUND (Leaving San Francisco)

<u>S.P.Co.</u>	<u>Monticello SS Co. &amp; S.F.N.&amp;C.Ry.</u>						<u>G.Gate Stages</u>	<u>Applicant</u>	
Lv. San Francisco	AM 8:00	AM 7:30	AM 9:45	PM 12:30	PM 3:20	PM 6:00	AM 8:40	AM 10:00	PM 5:00
Ar. Calistoga	11:33	11:01	PM 1:15	4:00	6:52	9:30	PM 1:15	PM 1:15	PM 8:15

SOUTHBOUND (Leaving Calistoga)

<u>S.P.Co.</u>	<u>Monticello SS Co. &amp; S.F.N.&amp;C. Ry.</u>						<u>G.Gate Stages</u>	<u>Applicant</u>		
Lv. Calistoga	PM 2:20	AM 5:58	AM 8:00	AM 10:35	PM 1:25	PM 4:05	PM 6:40	PM 2:00	AM 11:30	PM 8:30
Ar. San Francisco	5:50	9:10	11:30	PM 2:10	5:05	7:45	10:15	6:15	PM 2:45	PM 11:45

The most favorable elapsed time is that proposed by the applicant, 3 hours, 15 minutes. That this time will, in time, be bettered by certain road work in contemplation, was indicated by testimony offered at the final hearing. The time on the combined Monticello Steamship Company, San Francisco, Napa & Calistoga Railway varies from 3 hours, 15 minutes, to 3 hours, 40 minutes; that of the Golden Gate Stages requires 4 hours, 35 minutes northbound, and 4 hours, 15 minutes southbound; and the Southern Pacific schedules require 3 hours and 30 minutes in each direction.

The passenger business of protestant San Francisco, Napa & Calistoga Railway Company shows a decreasing number of passengers carried as set forth in the statement filed as Exhibit 35 and covering the years 1919 to 1927, inclusive. In 1927 it transported 249,945 passengers as against 690,732 passengers in 1919. According to the record, this decrease is attributed to the

rapidly increasing use of the privately owned automobile, there being no evidence of business being diverted to the competing line of Southern Pacific Company.

The investment in road and equipment of this protestant as appearing on a balance sheet (Exhibit 42) is \$2,187,145.44. A comparative income statement for the years 1925 and 1927 and the first six months of 1928, compiled from Exhibits Nos. 36 and 37, shows the following results:

	<u>1925</u>	<u>1927</u>	<u>Jan. to June, inc. 1928.</u>
Total Transportation Revenue	\$ 245,645.78	\$ 230,131.70	\$103,659.56
Revenue from other railway operations	<u>1,267.68</u>	<u>1,280.84</u>	<u>517.59</u>
Total Operating Revenue	\$ 246,915.46	\$ 231,412.54	\$104,177.15
Total Operating Expenses	<u>157,322.15</u>	<u>161,291.82</u>	<u>79,133.39</u>
Net Total from Railway Operations	\$ 99,593.31	\$ 60,120.72	\$ 25,043.76
Taxes	<u>16,928.77</u>	<u>12,782.84</u>	<u>6,179.85</u>
Operating income	\$ 72,664.54	\$ 47,337.88	\$ 18,863.91
Non-operating income	<u>3,720.64</u>	<u>3,308.46</u>	<u>1,513.46</u>
Gross Income	\$ 76,385.18	\$ 50,646.34	\$ 20,377.37
Total deductions from income	71,816.58	71,231.34	38,154.72
Gain or Loss	\$ 4,568.60	20,635.00	17,777.35

Note: (\*) Denotes loss.

It is the contention of this protestant that the authorization of any competing service will tend to reduce the volume of passenger business now being handled and thereby reduce its ability to continue the service now being conducted. The evidence of the witnesses called by this protestant sustains this contention as regards their specific communities; none of which, however, are herein proposed to be served by the applicant.

Protestant Southern Pacific Company, by its exhibits, presented the record of passengers carried during specific period and a record of equipment capacity available to care for the traffic requirements. The infrequent service of this protestant and the fact of a materially higher rate for one-way trips between San Francisco and Calistoga undoubtedly accounts for the limited passenger patronage using the facilities of this protestant, a one-way rate of \$2.70 being assessed against a one-way rate of \$1.95 by the combined service of Monticello Steamship Company-San Francisco, Napa & Calistoga Railway Company. That volume of business moving by public carriers between San Francisco and Calistoga and Lake County points is decreasing, due to the public using their own conveyances is indicated by an exhibit showing travel from San Francisco to Lake County points by existing public transportation facilities via the Calistoga gateway, during the year ending July 31, 1928, as compared with guests registered at resorts from San Francisco, (Exhibit No.3) shows the following data:

Guests at resorts	9675
Guests using own conveyance	7442 or 76.92 percent.
Guests using public transportation via Calistoga	2233 or 23.08 percent.
Guests using through tickets	
Via S.P.Co.	75
Via S.F.N. & C.Ry.	<u>1552</u> 1627
Guests using applicant's stage locally from Calistoga .....	606

In addition to the passenger traffic destined to the resorts in Lake County, there are passengers using public transportation, via the Calistoga gateway, to the towns of Middletown, Lower Lake, Kelseyville and Lakeport. An analysis of such traffic is as

follows:

Through tickets from San Francisco

Via S.P.Co.	17	
Via S.F.N.&C.Ry.	<u>238</u>	255

Locally from Calistoga via applicant's line		<u>664</u>
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Total - 919

Approximately 70 percent of the travel by public transportation to Lake County, via the Calistoga gateway, is to the established resorts, the remaining 30 percent being destined to the towns above named.

Applicant estimates at least 25 percent of the guests at resorts, now traveling by private conveyance, from San Francisco can be secured as patrons of the proposed through service, and also many passengers now using their own automobiles to Calistoga and applicant's present facilities to their Lake County destinations.

Giving the fullest consideration to all the elements entering into this proceeding and weighing very carefully the claim of existing carriers, with particular reference to the San Francisco, Napa and Calistoga Railway, referred to throughout the proceeding as "the electric", that the granting of this application will diminish the revenues of "the electric" to the point that it will be unable to maintain the service it is now giving, I cannot escape the conclusion that this fear is groundless or at least not of sufficient magnitude to justify the refusal ~~to~~ this highly scenic territory of opportunity to make accessible to the public its many wonders. Lake county is essentially a playground, attractive not only to those seeking recreation but to those to whom its health giving waters are a boon. A study of the figures show that it is the mecca of thousands of persons residing in the centers of population about the San Francisco bay region.

who travel in private cars, plainly indicating that present public travel facilities between Lake County and the bay region do not meet fully the needs of the territory proposed to be served. Frequent changes, such as are now required, are not appealing, according to the testimony of scores of witnesses, and it is the view of many that with a through service established a considerable number of Lake county visitors now using their own cars would use the public service and make more frequent trips, or send their families via the through public service when their own machines are otherwise in use. Even a small percentage of the private machine traffic, already lost to the rail lines, diverted to public transportation, such as is proposed, will justify its operation. There are untold numbers to be drawn from and it is to those strangers to the charms of Lake county, strangers, it is believed, because of unsatisfactory methods of travel, that the appeal of "through and better transportation" is to be made.

The county is solidly behind the applicant; solid in its belief that existing transportation facilities have failed; solid in its belief that development will come with through service. There is not a rail in Lake county. It is absolutely, within its borders, dependent upon highway vehicular means of transportation. Such transportation as the county has begins at so-called "gateways," or rail ends, and is thus dependent upon such traffic as is transported to the "gates" by other carriers which do not appear to have lent any particular effort toward the development of Lake county traffic, or attempted to retain traffic which formerly used the rail-boat-bus transportation. It developed during the hearing that protestant electric line, following the denial of a certificate to applicant in Decision No.20914, removed its usual summer excursion rates to this territory thereby not only reducing its traffic and revenue

but causing a failure of proper service to the traveling public and the territory which was in large measure dependent upon it for common carrier transportation. And the record further shows that traffic by existing public means to the "gateways" is steadily falling off. Lake county believes that the remedy is through transportation, and a drive for "new business", and it further believes that existing carriers will not only not be injured by its proposed efforts but will share in the benefits of the development bound to ensue.

C. L. Austin, a witness for applicant, succinctly stated Lake county's view when he testified:

"We handled about 3000 people at our place this season. We had about 30 out of that 3000 that came by bus. Whenever we got a passenger on the bus it was an event. It is my opinion that this bus line would develop an entirely new business; it would develop a business from San Francisco that we do not get at this time, would not take anything from the electric line nor from the Southern Pacific, which brings their traffic from Oakland and East Bay points, but it would be a benefit to the electric line in that it would give them more freight. Now, our freight comes from both Oakland and San Francisco. From San Francisco it comes over the electric line, from Oakland over the Southern Pacific, so it is my opinion that this stage line would not only not harm but would be a benefit to the electric line, would not take away their passenger travel but would develop entirely a new business. Now, it wouldn't be any great benefit to us in the saving of time, because as I understand, there would not be very much of a saving of time. The advertising value would be big to us -- we put on our folder, advertising folder, that from San Francisco you take the Monticello, then you take the electric and then you take the buses -- even though they had to make the same number of changes, if we could say 'through bus from San Francisco'; and as I said before, it would develop an entirely new business."

Witness Dyer epitomized the situation when he testified:

"I am very much interested in this application as a resident of this region. It seems to me that Calistoga at the end of a suburban line has very poor service, and that Lake county is practically not served by transportation at all. As you know, Lake county has no railroad. Calistoga in reality is the gateway to Lake county from the south. A number of our citizens believing thoroughly in Calistoga, object to that application; but none the less it is true that through Calistoga the southern traffic must go into Lake county. It seems to me that if any place ever deserved an express service to San Francisco and the Bay cities, Calistoga does, picking up traffic in Lake county and sending that traffic through without the necessity of change or the possibility of missing connections to the city, in the most expeditious way possible. I regard that as one of the prime possibilities for developing Lake county which has great potentialities for development."

"It seems to me that this question as of the present time is not as important as looking to the future. I have had a great deal of experience with present modes of transportation from Calistoga, and I don't see how they can be speeded up much. The boat can't make much better time, comfortable and convenient as it is. The electric train can't make much better time, and serve the communities or route. Calistoga needs a faster transportation, if it can get it, and no matter what the schedule or the number of services are at the present moment, we can look for an improvement in those services and in those schedules, as time goes on, through some such application or through some such service as applied for in a way that we can't expect from present facilities; and that is what I am interested in."

With these views, and the views of other witnesses for applicant, I am in accord and I am, therefore, of the opinion that the application should be granted.

Calistoga and Clear Lake Stage Co., a corporation, 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 on the above entitled application, the matter having been duly submitted, the Commission being now fully advised and basing its order on the conclusions as set forth 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 Calistoga and Clear Lake Stage Co., a corporation, of an automobile stage service as a common carrier of passengers and baggage between San Francisco and Calistoga via Sausalito



and Black Point Cutoff as a part of a through service between San Francisco and Calistoga and Lake County points, provided, however, that no local passengers or baggage shall be transported between points intermediate between San Francisco and Calistoga; passengers may, however, be transported between Sausalito, San Anselmo, San Rafael, Ignacio, Black Point Cutoff, Sears Point and Schellville on the one hand and Calistoga and points north thereof located in Lake county on the present authorized lines of applicant's system, and provided also, that on call service may be performed between Calistoga and Myrtledale Hot Springs, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and the same hereby is granted to Calistoga and Clear Lake Stage Co., a corporation, not as a separate right but as an extension and part of the service now being performed by said Calistoga and Clear Lake Stage Co. under operative rights described as follows:

- 1- Operative rights acquired by operation in good faith prior to May 1, 1917, between Calistoga and Toll House, Arcadia, Middletown, Andersons, Mira Vista, Castle Springs, Harbins, Stuparich, Spiers, Andrews, Cobb, Hobergs, Adams, Bonanza, Seiglers, Howard, Salmimi, Kelseyville, Lakeport, Lower Lake, and
- 2- Rights conferred by Decision No. 15066 on Application No. 11182, as decided June 15, 1925, and covering service between Lower Lake and Clear Lake Park and intermediate points, which right was granted as an extension of the right established by operation prior to May 1, 1917.
- 3- Rights conferred by Decision No. 18061 on Application No. 13269 as decided March 14, 1927, extending said service between Sacramento and Middletown and intermediate points, eliminating local service between Sacramento and Monticello, and

IT IS HEREBY FURTHER ORDERED that the right herein granted, and the rights described in the three paragraphs immediately above may be consolidated into a single unified right subject to the following conditions:



I concur in the order. There is here presented a conflict, not unusual, between the desire and need of a particular section for improved and additional means of transportation and the need of protecting existing transportation agencies, which are having a hard time to exist, against further inroads upon their business.

The original order was premised upon the need of protecting the San Francisco, Napa and Calistoga Railway from further competition. It had some logical justification at that time. Since its date this Commission by Decision No. 21194 has given the Southern Pacific Motor Transport Company a general certificate to serve Napa, Vallejo and Calistoga. This certificate was not limited merely to rendering a substitutional service. If it was proper to admit a new service, unlimited in character, in the case of this company I do not see how the Commission can justify a refusal of the service here sought, which was applied for long before the Southern Pacific Motor Transport Company sought certification. In other words, this Commission has already abandoned the theory upon which the original order found its justification.

In view of the whole record I think the Commission should now recognize the desires and necessities of the Calistoga-Lake County section for through transportation to San Francisco as paramount and superior to the desirability of protecting the Napa and Calistoga electric line.



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Commissioner.