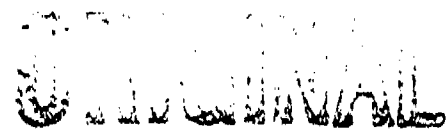


Decision No. 21853



BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 PEERLESS STAGES, INCORPORATED, for
 a revision of service between Oakland
 and Palo Alto and Pleasanton and Palo
 Alto, and intermediate points.

} Application
 } No. 15764

Harry A. Encell and Joseph B. Held, for
 Applicant.

Sanborn & Roehl and De Lancey C. Smith, by
 W. H. Kessler, for Peninsula Rapid Transit
 Company, Protestant.

H.W. Hobbs, for Southern Pacific Company, Protestant.

F. D. Everman, for Pacific Auto Stage Company and
 Peninsula Rapid Transit Company, Protestants.

Edw. Stern, for Railway Express Agency, Inc.,
 Interested party.

BY THE COMMISSION -

O P I N I O N

Peerless Stages, Incorporated, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the rerouting of its service between Oakland and Palo Alto, such service being now rendered from Oakland to Centerville, changing at such point for transportation to Palo Alto. It is proposed to revise schedules and operate a direct service, without change, between Oakland and Palo Alto and to operate a stub service between Pleasanton and Centerville, making proper connections at Centerville for Oakland and San Jose and for San Joaquin Valley points.

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

The operative rights, over which a change in routing is sought, are as follows:

Rights granted to Peerless Stages, Incorporated, a corporation, by the provisions of Decision No. 12674 on Application No. 9210, as decided October 2, 1923, and covering the transfer to Peerless Stages, Incorporated, of rights of Joseph B. Held for the operation of an automobile stage line as a common carrier of passengers and express between Oakland and San Jose and the intermediate points of San Leandro, Hayward, Niles, Centerville, Irvington, Warm Springs and Milpitas; also the rights transferred to Peerless Stages, Incorporated, by a co-partnership consisting of Harry Gaeta, S. H. Dunbar, Basil A. Perry, Joseph B. Held and Chat. W. Fish (as Administratrix of the Estate of Fred V. Fish, deceased), said rights comprising the certificate of public convenience and necessity transferred by Western Motor Transport Company under the provisions of this Commission's Decision No. 8628 on Application No. 6664, dated April 8, 1921, and the certificate of public convenience and necessity heretofore granted to the above mentioned partnership by the provisions of this Commission's Decision No. 8859 on Application No. 6515, dated April 14, 1921.

Operative rights granted to Peerless Stages, Incorporated, a corporation, by Decision No. 19043 on Application No. 13179, as decided November 14, 1927, and covering the operation of an automobile stage line as a common carrier of passengers, baggage and express between Pleasanton and Palo Alto and Menlo Park and the intermediate points of Newark, Centerville, Niles, Farwell, Brightside, Sunol and Bonita. This certificate contains a provision restricting the holder against any transportation locally between Palo Alto and Menlo Park or between Palo Alto and the United States Veterans' Hospital.

No consolidation of the operative rights referred to has ever been authorized by, or requested of, this Commission. The instant proceeding is, in effect, a request for a partial consolidation of these rights insofar as operative schedules are involved.

It appears from the testimony of officials of applicant and exhibits filed that the operation of the Pleasanton-Palo Alto and Menlo Park Division has resulted in a substantial deficit, the loss during the period January 1, 1929, to June 30, 1929, being \$6834.16. The deficit from operation on the entire system during the same period was \$400.24. It is, therefore, the opinion of the officials that by readjusting schedules, resulting in through direct operation between Oakland and Palo Alto and eliminating the transfer now required,

and establishing branch line service over the portions of the route which are lightly patronized, that the operating loss will be greatly decreased and result in entire operations of applicant being conducted at a profit.

Exhibits filed herein set forth a recapitulation of passengers carried between points on the Pleasanton-Palo Alto and Menlo Park Division for the period December, 1928, to July, 1929, inclusive. These exhibits show the following data:

Total passengers carried: 6140

Passengers included in foregoing total who were transported over two divisions,

Between Oakland and Palo Alto 1069

Between " " Newark 160

Between San Leandro and Palo Alto 19

Between San Lorenzo and Palo Alto 14
Junction

Between Hayward and Palo Alto 188

Between Hayward and Newark 9

Between Valle Vista and Palo Alto 1

Between Alvarado and Palo Alto 3

Between Decoto and Palo Alto 2

Five witnesses testified in behalf of applicant, endorsing the proposed service. These witnesses desire through direct service as herein proposed, and object to the necessity for transfer as well as to the inconvenience of making the trip via the San Francisco route with frequent changes, and the necessity for transfer through the congested traffic of San Francisco. The Executive Committee of the Board of Directors of the Palo Alto Chamber of Commerce, by letter dated August 15, 1929, endorse the application.

The granting of the application is protested by Peninsula Rapid Transit Company and Pacific Auto Stages. These protestants, operating passenger stage service between San Francisco and Palo Alto contend that passengers who might use the through direct service between Oakland and Palo Alto have now available adequate service via San Francisco. Exhibits were presented showing available seating capacity and vacant seats between San Francisco and Palo Alto during representative months, indicating that the two companies operate with approximately fifty-six percent of seating capacity vacant.

We have given careful consideration to the evidence and exhibits herein and conclude therefrom that the proposal of applicant is in the public interest, and will enable through direct service to be operated between Oakland and Palo Alto and intermediate points, obviate the present necessity for changing stages enroute, and by rearrangement of scheduled operation will reduce the operating deficit now existing on applicant's system. While some revision of fares is proposed, such revision in all instances results in a reduction, and the proposed schedules offer satisfactory connections with other portions of applicant's lines as well as connections to and from San Joaquin Valley points.

While applicant has requested the authorization of the proposed through service between Oakland and Palo Alto for an experimental period of six months, we are of the opinion that the proposed service should be established and thereafter maintained until the further order of this Commission, 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 and the Commission being now fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY
DECLARES that public convenience and necessity requires the
operation by Peerless Stages, Incorporated, a corporation of
automobile stage service as a common carrier of passengers,
baggage and express between Oakland and Palo Alto and the
intermediate points of San Leandro, San Lorenzo Junction,
San Lorenzo, Leidig, Hayward, Mt. Eden, Alvarado, Machados
Corner, Centerville, Newark, U. S. Veterans' Home and Menlo
Park, and for the operation of local service between Pleasanton
and Centerville and the intermediate points of Sonita, Sunol,
Brightside, Farwell and Niles. The operating schedules and
through service herein authorized to be in lieu of service
heretofore rendered under the provisions of Decisions Nos. 12674
and 19043 on Applications Nos. 9210 and 13179, and

IT IS HEREBY ORDERED that this application be and the same
hereby is granted, subject to the following conditions:

- 1- The authority hereby granted does not authorize the transportation of passengers, baggage and express locally between Palo Alto and Menlo Park, nor between Palo Alto and the United States Veterans' Hospital.
- 2- Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.
- 3- 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 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 thirty (30) days from the date hereof.
- 4- 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.
- 5- 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 Commission reserves the right to make such other and further orders in this proceeding as to it may appear just and proper or as required by the public convenience and necessity.

Dated at San Francisco, California, this 2nd day of December, 1929.

Thos D. Lott

Chas. J. Lacey

Frank J. Lacey

Leon A. Whelan

H. P. Coe
COMMISSIONERS.