

EME

Decision No. 22266

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PEERLESS STAGES, INCORPORATED,
a corporation, to abandon and sur-
render its operative right for auto-
mobile stage service as a common
carrier of passengers, baggage, and
express between Pleasanton and Center-
ville and the intermediate points of
Bonita, Sunol, Brightside, Farwell,
and Niles.

Application No. 16290

Harry A. Encell, for Applicant.

BY THE COMMISSION:

O P I N I O N

PEERLESS STAGES, INCORPORATED, operating a system of auto stage transportation in Oakland, San Jose, Palo Alto and other points, has made application for authority to abandon the operation of a stub service between Centerville on the main route between Oakland and Palo Alto and Pleasanton and intermediate points, which has been in operation only since January 1, 1930.

A public hearing herein was conducted by Examiner Williams at Centerville, at which time no one appeared to protest the application, though all of the communities affected had received notice of the hearing. Only one of these communities communicated with the Commission at this hearing, to-wit: the Niles Chamber of Commerce, which presented a report urging that the application be granted.

By Decision No. 21853 on Application No. 15764 this applicant received authority to re-route its service between Oakland and Palo Alto, and also received authority to operate a stub service between Pleasanton and Centerville, making proper connection at Centerville for Oakland, San Jose and San Joaquin Valley points. The granting of this application was an effort to rearrange applicant's Pleasanton-Palo Alto division in order that previous somewhat heavy losses might be avoided. It now appears that after trial of the stub service between Centerville and Pleasanton the losses sustained have been so large that applicant wishes to abandon the service. According to the report of operation during the month of January, 1930, applicant's expense of operation, using a 22-passenger safety coach, making four round-trips daily between termini, had cost \$674.49, while the receipts from passengers amounted to only \$70.25, including \$9.30 received from passengers in both directions, who could have been carried on main line cars. Another comparison shows the earnings of the Pleasanton-Centerville division for February, 1930, to have been .026¢ per mile, while the operation of the Oakland-Palo Alto division amounted to .1085¢ per mile. The bulk of the traffic shown in an exhibit filed by applicant for the month of February was between Centerville and Niles, and this was due to temporary construction work by the Western Pacific near Brightside in Niles Canyon. The total number of fares collected in January were 155, and in February, 176. It was the testimony of Joseph B. Held, President of the applicant corporation, and H. E. Ashton, Passenger and Express Agent, and G. J. Weiser, Secretary and Auditor, that there is no hope for enlargement of the business of this stub service.

We believe applicant has shown clearly the lack of necessity for this service with such meager patronage. While it is a rule of the Commission that operators of transportation

systems must take the "lean" with the "fat," we believe that an operation that costs four times the amount of revenue received, or more, should not be required of a carrier while there is no apparent probability of increased patronage, as the record shows. When the stub service was established, it was upon a basis of hope that the public would use it sufficiently to avoid any considerable loss, at least.

ORDER

FEERLESS STAGES, INCORPORATED, having applied to the Railroad Commission for authority to abandon the stub service between Centerville and Pleasanton and intermediate points; a public hearing having been held; the matter having been duly submitted, and now being ready for decision,

IT IS HEREBY ORDERED that applicant be, and it is hereby authorized to abandon such service on and after five days' notice posted at the terminals of Pleasanton and Centerville, and to cancel its tariffs and time schedules between Pleasanton and Centerville.

For all other purposes the effective date of this order shall be five days from the date hereof.

Dated at San Francisco, California, this 29th day of March, 1930.

C. S. Seaver

Leon Colwell
Thos. J. Lattin

M. J. Linn
Commissioners.