

Decision No. 22551.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of GOLDEN GATE STAGES, a corporation, for a certificate of public convenience and necessity to change the routing of its passenger stage operation between Santa Rosa and Monte Rio to establish a new route of passenger stage service between Cotati and Sebastopol, and to consolidate such new route with its existing passenger stage operation between San Francisco and Santa Rosa.

ORIGINAL

Application No. 15468.

Wallace L. Ware, A. B. Roehl, Earl A. Bagby,
R. N. Mather, for Applicant.
H. W. Hobbs for Northwestern Pacific Railroad
Company and Southern Pacific Motor Transport
Company, Protestants.
Donald Geary and E.S. Graham for Petaluma & Santa Rosa
Railroad Company, Protestant.
Edward Stern, Railway Express Agency, Inc.,
Protestant.
Carl Barnard, District Attorney, Sonoma County,
by E. J. Dole, Assistant, for County of
Sonoma, Protestant.

BY THE COMMISSION:

O P I N I O N

This is an application by Golden Gate Stages (1) to change the routing of its present passenger stage service between Santa Rosa and Monte Rio so that it will go via Sebastopol, abandoning that portion of the right lying between Santa Rosa and Sousa's Corner; (2) to operate a portion of such re-routed service between Sebastopol and Monte Rio via Freestone; (3) to establish new service between Cotati and Sebastopol; and (4) to consolidate these routes, one with the

other, and all of them with the present operation between San Francisco and Santa Rosa.

Public hearings were held by Examiner Gannon at Guerneville, Sebastopol, Petaluma and San Francisco, the matter was submitted on briefs and is now ready for decision.

The applicant now operates stage service between Santa Rosa and San Francisco and intermediate points, with no local service between San Francisco and Sausalito. It also operates service between Santa Rosa and Monte Rio and the intermediates of Lagoon, Sousa's Corner, Rock Inn and Guerneville, with no service for passengers originating at a point east of Sousa's Corner when destined to any point east of a point one mile west from Forestville, or for passengers originating at any point between Sousa's Corner and a point one mile west of Forestville and destined to any point east of Sousa's Corner.

Various reasons are assigned by applicant which might justify the granting of the application, among the more important being the following:

1. Passengers to Russian River points have been obliged to purchase separate tickets from San Francisco to Santa Rosa and from Santa Rosa to Monte Rio, and have no choice of route except via Santa Rosa. Under the proposed application they might go from Cotati to Sebastopol, and thence either via Sousa's Corner, Guerneville and Monte Rio, or via Freestone, Occidental, Camp Meeker and Monte Rio.
2. Abandonment by Northwestern Pacific Railroad Company of its narrow gauge line between Point Reyes and Monte Rio.
3. Lack of passenger service between Monte Rio and Sebastopol, and of adequate express service between Monte Rio and Santa Rosa.
4. Lack of direct service to and from the Russian River country.
5. Necessity for through stage operation between San Francisco and Guerneville and Monte Rio, with service to intermediate points.

Applicant does not ask to serve between Santa Rosa and Forestville and all intermediate points (except between Santa Rosa and Sousa's Corner) so long as passenger rail service is rendered daily between those points.

It is proposed to operate two schedules daily each way between Monte Rio and Cotati via Guerneville, Forestville and Sousa's Corner; two schedules daily each way between Monte Rio and Santa Rosa via Camp Meeker and Sebastopol, and one schedule daily each way between Monte Rio and Santa Rosa via Forestville and Sousa's Corner. In addition, one schedule will be operated Saturday evening only between San Francisco and Monte Rio via Cotati, Sousa's Corner and Guerneville, and one schedule Sunday evening only between Monte Rio and San Francisco via Camp Meeker, Sebastopol and Cotati.

This will permit service between San Francisco and Monte Rio via Cotati, Sebastopol and Guerneville, without change, at such times as travel warrants through transportation, or, at such times as traffic does not warrant through transportation, with a change at Cotati with direct connection. It will also allow for transportation between Santa Rosa and Monte Rio via Freestone and via Sousa's Corner without change en route. Service will be given between San Francisco and Monte Rio via Cotati and Freestone with one change at Sebastopol with direct connections.

Express packages limited to one hundred pounds in weight will be transported only between Sebastopol and Guerneville and intermediates via the Occidental route.

Applicant's witnesses, drawn from various sections of the territory involved, testified as to the need for amplified service proposed by the application. The principal requirement seemed to be for a more direct and expeditious service between

River points and the metropolitan area surrounding San Francisco Bay. Guerneville and Monte Rio, both on the Russian River, are the center of a vast summer play ground whither go annually many thousands of pleasure seekers from the Bay area as well as from other parts of California. The available public transportation afforded is Northwestern Pacific Railroad and the applicant's stage line. The Petaluma and Santa Rosa Railroad, an electric line, operates between Petaluma and Forestville via Sebastopol and between Santa Rosa and Forestville via Sebastopol.

Witnesses from Sebastopol, Freestone, Occidental and Camp Meeker testified as to a certain need for service to Santa Rosa and to San Francisco and there was similar testimony from witnesses living on the Gravenstein Highway from Cotati to Sebastopol and Sousa's Corner. Many of these witnesses, however, testified that they drove their own cars and would continue to do so in their communication with the points at issue in this application. Several witnesses at Sebastopol testified that they would still favor the granting of the application even though it might force the abandonment of Petaluma and Santa Rosa Railroad service, but we do not believe such testimony represented the consensus of opinion. The need for express service came chiefly from dealers in auto parts and repair supplies.

In protest against the application appeared Petaluma and Santa Rosa Railroad Company, Northwestern Pacific Railroad Company, Southern Pacific Motor Transport Company, Railway Express Agency, Inc., and Sonoma County represented by its District Attorney. During the progress of the hearings the protest of Southern Pacific Motor Transport Company was withdrawn.

The Petaluma and Santa Rosa Railroad Company has been

operating in this territory for many years and traverses the Gravenstein apple-raising territory of which Sebastopol is the center. It provides thirteen round-trips daily between Forestville and Santa Rosa through Sebastopol, and twelve round trips daily between Forestville and Petaluma via Sebastopol, these schedules affording service to and from San Francisco with connections and joint tariffs with Northwestern Pacific Railroad at Santa Rosa and Petaluma. Express is handled on all of its passenger cars. An overnight freight service between San Francisco and all points on the line is maintained, in addition to refrigerator cars for the transportation of apples to Eastern markets. The testimony shows that this carrier's passenger business is derived almost entirely from ranchers and their families living along its line. Its service is also largely relied upon for the transportation of school children attending the various high schools.

E. H. Maggard, President and General Manager of the line, testified that if the application of Golden Gate Stages is granted it will not be possible for his company to continue its passenger service. He contended that 99% of the business which would accrue to the stage line would be traffic now enjoyed by the Petaluma and Santa Rosa Railroad, and that there was not sufficient business in the territory to justify the continuance of rail passenger service should bus competition be established. He testified further that the passenger business of his line was, and for some years had been, conducted at a loss, the operations for the first ten months of 1929 showing an out-of-pocket loss of approximately \$4700.

Almost without exception this protestant's public witnesses testified that they would oppose the granting of the application if it resulted in the abandonment or curtailment of Petaluma and Santa Rosa passenger and express service which they now regarded as satisfactory, adequate and necessary.

Mr. Maggard testified also as President and General Manager of protestant Northwestern Pacific Railroad and his testimony was supplemented by that of J. J. Geary, General Freight and Passenger Agent. It was the testimony of these two witnesses that the granting of the application would make such serious inroads on the rail line's Russian River business as to necessitate a substantial curtailment of that service. There would be no new business created but such traffic as the stage line acquired would of necessity be business now handled by the railroad.

Northwestern Pacific Railroad operates throughout the year two daily round-trip schedules between San Francisco and Guerneville and one southbound schedule on Sundays only. During the summer season it also operates one Saturday and one Sunday northbound schedule and one Sunday and one Monday southbound schedule.

Many witnesses from Guerneville and vicinity testified that they favored the retention of Northwestern Pacific Railroad rail service and that a curtailment of such service both as to passengers and express would work a hardship on them. Several resort owners testified that rail service was satisfactory and adequate.

Sebastopol Apple Growers' Union, Cunningham Farm Center, Roblar Farm, Graton Farm Center, California Cravenstein Apple Growers' Association, Pomona Grange, Sebastopol Grange and Forestville Grange all passed resolutions which were duly filed as exhibits, protesting the granting of the application. Sebastopol Merchants Association filed a resolution favoring the application and Sonoma County Board of Supervisors filed a resolution opposing the application until such time as railroad service in western Sonoma County be discontinued.

We have carefully reviewed the evidence in this proceeding and conclude, and hereby find as a fact, that public convenience and necessity do not require the service as proposed herein. The two rail lines operating in this territory are apparently rendering satisfactory transportation service and each, in its way, has contributed in no small degree to the upbuilding of the respective communities. So long as they continue to meet the public transportation requirements in an adequate and satisfactory manner they are entitled to protection against the encroachment of competition. The record shows that an overwhelming majority of persons traveling to and from the resorts on the Russian River do so in their own automobiles. The Northwestern Pacific Railroad pioneered this territory and over a period of many years has made substantial contribution to its development and progress. With the advent of the private automobile it has, like many other rail passenger lines, suffered a decline in its passenger business. In fact, the testimony herein shows that in 1928 its passenger revenue had dropped to considerably less than half of what it was in 1921.

Points on the railroad appear to be well provided for public transportation with the possible exception of Camp Meeker,

and it is entirely feasible for applicant to supply bus transportation to that point by extending its service five miles south from Monte Rio. Sebastopol, too, has adequate passenger and express service to and from Santa Rosa and San Francisco via the rail lines.

Four years ago, when the predecessor in interest of applicant herein was making application to the Commission for authority to operate between Santa Rosa and Monte Rio, it presented a petition bearing the signatures of six hundred and ninety two persons who favored the application. A considerable number of these signers lived on the route between Santa Rosa and Sousa's Corner which it is now proposed to abandon, and we are not convinced that all need for service between these two points has vanished into thin air.

Applicant in its brief very frankly declares that the application must be denied if Petaluma and Santa Rosa Railroad Company can show that its existing service will be materially affected by the granting of the application. It is obviously impossible for the railroad company to arrive at an exact calculation of the number of passengers or express packages that would be diverted to the stages, but the evidence is conclusive that whatever business accrues to the bus lines will come from the rail lines, and to that extent its business will be materially affected. Moreover, we are not disposed to regard as a mere threat the testimony of Mr. Maggard that the granting of the application will be followed by a discontinuance of the rail line's passenger service.

A consideration of the entire record satisfies us that the application should be denied and an order will be entered accordingly.

ORDER

Public hearings having been held in the above entitled application, the matter having been duly submitted and the Commission being fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity do not require the operation by Golden Gate Stages of the service proposed in said application, and

IT IS HEREBY ORDERED that said application of Golden Gate Stages be and the same is hereby denied.

Dated at San Francisco, California, this 21st day of June, 1930.

[Handwritten signatures of four commissioners]

Commissioners.