

Decision No. 22672

**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
SOUTHERN PACIFIC MOTOR TRANSPORT	)	
COMPANY for certificate of public	)	
convenience and necessity to operate	)	Application
motor vehicle service as a common	)	No. 15517
carrier between Point Reyes, Marin County,	)	
and Monte Rio, Sonoma County, California.	)	

- H. W. Hobbs, for Applicant.
- Wallace L. Ware, for Golden Gate Stages, Protestant.
- R. S. Elliott and Edw. Stern, for Railway Express Agency, Inc., Interested party.
- Thos. Boyd and Henry Greer, for Rural Merchants Association of Sonoma and Marin Counties, Coast Chamber of Commerce, Occidental Chamber of Commerce, Western Sonoma and Marin Dairy and Cattle Association, Protestants.
- E. J. Dole, for Board of Supervisors of Sonoma County, Interested party.
- J. W. Mc Caughey, for Mc Caughey Bros., Protestants.
- Louis Dulbacker, B. Mulvaney and E. D. Dickinson, all of Tomales, Protestants.
- T. L. Orr, C. Panazena and E. V. Connella, all of Occidental, Protestants.
- A. Nickolaisen, for Bodega Cooperative Creamery, Protestant.

BY THE COMMISSION -

O P I N I O N

Southern Pacific Motor Transport Company, a corporation, by its amended and supplemental application, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile stage service as a common carrier of passengers and baggage between Petaluma and Monte Rio and the intermediate points of Wilson School, Holy Ghost Hall, Two Rock, Aurora School, Tomales, Fallon, Clark Summit, Bloomfield Road, Valley Ford, Bodega Junction, Freestone, Walnut Hill, Occidental, Camp Meeker and Tyrone; also to transport express for Railway Express Agency, Inc., between all points above named, such express to be transported under contract for Railway Express Agency, Inc; also to

consolidate the operative rights herein sought with the operative rights heretofore acquired by applicant from Stuermer and Valente, doing business under the name and style of San Rafael & Sonoma Valley Stage Line, said rights having been acquired by authority of Decision No.20864 on Application No.15449, also to consolidate the operative rights herein sought with applicant's operating rights between Vallejo and Petaluma as acquired from George S. Jones Company under Decision No.19965 on Application No.14833 and the operating rights between Petaluma and Vallejo granted to applicant as successor to George S. Jones Company by Decision No.20860 on Application No.13592, which operative rights are in turn consolidated with operative rights of the applicant acquired from Mrs. A. Dunham by Decision No.19170 and subsequently enlarged by Decisions Nos.19284 and 19326; also to transport baggage on the entire consolidated operating right herein applied for; and also to transport express in parcels not to exceed 100 pounds, instead of 50 pounds, upon the operating rights acquired by applicant from Stuermer and Valente under Decision No.20864 on Application No.15449.

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

Applicant proposes to charge rates in accordance with a schedule marked "Exhibit A" as attached to the application; to operate on a schedule of two round trips daily; and to use standard equipment as now available in its regular service.

Applicant relies as justification for the granting of the application upon the following alleged facts: that the Northwestern Pacific Railroad Company operating a line of railroad between Point Reyes and Monte Rio and intermediate points was authorized by the Interstate Commerce Commission to abandon such operation, and that the abandonment will leave the territory between Point

Reyes and Monte Rio without any public carrier service for persons or property; that the service herein proposed by applicant will supply the need for common carrier service locally between Tomales and Monte Rio and intermediate points; that there is no direct common carrier service for passengers, baggage and express between Petaluma and the other points herein proposed to be served by applicant and that there is a need for such service; that Petaluma is located on the Northwestern Pacific railroad and is also a terminus for the operations of applicant to Boyes Springs, Sonoma Valley points, Napa, and Vallejo, and applicant will be able to render service between all points on the proposed operation and other points now served by applicant and also to Northwestern Pacific Railroad points; that there is a large volume of travel, particularly during the summer months, from the Napa Valley, Sonoma Valley, Vallejo and surrounding territory destined to Monte Rio, Camp Meeker and other resorts in the vicinity which need the proposed service; that there is a large volume of travel from Russian River points in the territory adjacent to Monte Rio destined to the Napa Valley, Sonoma Valley, Solano County points, and to the San Francisco Bay area which requires the establishment of the proposed service; that upon the discontinuance of Northwestern Pacific Railroad service there will exist a need for transportation service for passengers, baggage and express as between Monte Rio, Tomales and points intermediate thereto and other points on said railroad and its connections, which applicant's proposed service will supply; and that unless the authority herein sought be granted and the proposed service thereafter established and maintained, there will be hardship suffered by the public.

Applicant alleged further facts in support of its petition regarding the transportation of express for Railway Express

Agency, Inc., and for consolidation of existing rights with such operating rights as may be granted under the instant application.

T. Finkboner, Superintendent of operation for applicant, testified regarding the proposed operation and the intention of his company to establish agencies at the terminals of Petaluma and Monte Rio and at the intermediate points at the Continental Hotel, Petaluma, Tomales, Valley Ford, Occidental and Freestone. This witness also testified regarding the public convenience to be served by the consolidation of the proposed line with other lines of applicant now serving Petaluma, thereby enabling the operation of through cars if traffic justified and also the operation of more frequent schedules on some of the lines serving Petaluma.

George P. Murphy, Mrs. E. T. Monette and J. E. Olmstead of Petaluma, and Mrs. A. C. Dodge of Camp Meeker, testified as to the need for the proposed service for the transportation of passengers.

J. J. Geary, General Freight and Passenger Agent of Northwestern Pacific Railroad Company, testified in support of the application and was of the opinion that the granting of the application would be desirable for the residents of the coast section by enabling connections to be made with the Northwestern Pacific Railroad at Petaluma and thence to San Francisco and intermediate points, also furnishing transportation to points on his line north of Petaluma to Eureka and all intermediate stations.

The Board of Directors of the Petaluma Chamber of Commerce, at a meeting held on August 27, 1929, unanimously endorsed the proposal of applicant, stating that the proposed service would supply a long existing need for direct transportation between Petaluma and Tomales and also the communities

of the west coast country north to Monte Rio.

No witnesses were presented by any of the protestants herein.

At the last hearing on this proceeding counsel for Railway Express Agency, Inc., stated that his company had no interest in the application, having made other arrangements for the transportation of its express matter in the territory proposed, and that no use would be made of the proposed service, if authorized, for the transportation of express by his company. As the application sought the transportation of express for the Railway Express Agency, Inc., only, and did not propose to transport property, other than baggage, for the general public, this portion of the application will be denied.

During the progress of the hearings the Interstate Commerce Commission, by its Decision in Finance Docket No. 7302, authorized the abandonment of the narrow gauge line of the Northwestern Pacific Railroad Company between Point Reyes and Monte Rio, and operation thereof ceased on April 3, 1930. By reason of the abandonment of this narrow gauge line of railroad there is now no public transportation service available between Point Reyes and Monte Rio and intermediate points. The present applicant proposes to make available a passenger and baggage service which will substitute service between Tomales and Monte Rio, including intermediate points, and making its southerly terminus at Petaluma where the rail facilities of the Northwestern Pacific Railroad are available. We are of the opinion that the residents of the communities between Tomales and Monte Rio should have the benefit of the passenger and baggage service herein proposed by applicant and connection at Petaluma with both rail and stage service enabling direct communication with other points. The application

for the establishment of passenger and baggage service between Petaluma and Monte Rio and intermediate points will therefore be granted as being required by public convenience and necessity.

By its Decision No. 22469 on Application No. 16490 the Commission authorized Pacific Greyhound Lines, Inc., to acquire all of the operative rights of Pickwick Stages System, California Transit Co., Southern Pacific Motor Transport Company and Pacific Auto Stages. The consolidation of operating rights as herein requested have previously been granted to companies whose rights have in turn been transferred to Pacific Greyhound Lines, Inc., under the authority of the above mentioned decision. We will, therefore, dismiss this portion of the instant application.

By the provisions of this Commission's Decision No. 22469 on Application No. 16490, as decided May 23, 1930, Pacific Greyhound Lines, Inc., was substituted as applicant in all matters then pending before the Commission in which any of the corporations whose property was acquired by Pacific Greyhound Lines, Inc., were applicants. By reason of this authorized substitution Pacific Greyhound Lines, Inc. is successor in interest to Southern Pacific Motor Transport Company, applicant herein.

Pacific Greyhound Lines, Inc., 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.

O R D E R

Public hearing 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 require the operation of an automobile stage line by Pacific Greyhound Lines, Inc., a corporation, as a common carrier of passengers and baggage between Petaluma and Monte Rio and intermediate points including the communities of Wilson School, Holy Ghost Hall, Two Rock, Aurora School, Tomales, Fallon, Clark Summit, Bloomfield Road, Valley Ford, Bodega Junction, Freestone, Walnut Hill, Occidental, Camp Meeker and Tyrone, and for consolidation of the operative right herein granted with operative rights of said applicant as heretofore authorized by this Commission's Decision No. 22469 on Application No. 16490, as decided May 23, 1930, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to Pacific Greyhound Lines, Inc., a corporation, for the operation of an automobile stage line as a common carrier of passengers and baggage between Petaluma and Monte Rio and intermediate points including the communities of Wilson School, Holy Ghost Hall, Two Rock, Aurora School, Tomales, Fallon, Clark Summit, Bloomfield Road, Valley Ford, Bodega Junction, Freestone, Walnut Hill, Occidental, Camp Meeker and Tyrone, and for consolidation of the operative rights herein granted with operative rights of said applicant as heretofore authorized by this Commission's Decision No. 22469 on Application No. 16490, as decided May 23, 1930. No authority is hereby conveyed for the transportation of express packages or parcels, freight or any property

