

Decision No. 22780

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 COASTSIDE TRANSPORTATION COMPANY,
 a corporation, for certificate of
 public convenience and necessity to
 operate a passenger and freight
 service between Redwood City, California,
 and San Gregorio, California, and points
 in between; also to consolidate the same
 with and as a part of the existing operative
 rights of Coastside Transportation Company,
 a corporation.

ORIGINAL

Application
No. 16718

Jas. A. Miller, for Applicant.
 A. Kincaid, for Redwood-Woodside Stage Line,
 Interested party.

BY THE COMMISSION -

O P I N I O N

Coastside Transportation Company, a corporation, by its amended application, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile stage line as a common carrier of passengers and freight between Redwood City and San Gregorio and intermediate points and for the consolidation of such service with the existing rights of the applicant.

A public hearing was conducted by Examiner Handford at Redwood City, the matter was duly submitted and is now ready for decision.

Applicant proposes rates in accordance with a schedule marked "Exhibit A" as amended; to operate two round trips daily, and to use as equipment one Ford combined passenger and express car and one Ford light delivery truck, together with such additional equipment from applicant's presently operated lines as the volume of business may require.

Applicant relies as justification for the granting of the desired certificate on the following alleged facts:- that applicant

has been awarded the contract for the carriage of United States Mail between Redwood City, La Honda and San Gregorio for the period July 1, 1930, to June 30, 1934; that the existing automotive carriers do not give a service which is regular and dependable; that applicant will be able to make passenger connections at San Gregorio with motor buses now operated between San Francisco, Half Moon Bay and Pescadero, thereby giving passengers the opportunity to travel to the county seat, Redwood City, for the transaction of business, and to return the same day, which is not possible under the present existing conditions; that applicant desires to consolidate and unify the certificate herein desired with the certificate of public convenience and necessity under which applicant now operates between San Francisco and Santa Cruz and intermediate points; and that frequent inquiry has been received from the public who ^{desire} transportation between Redwood City, La Honda, San Gregorio and intermediate points.

At the hearing applicant stipulated that it would not carry passengers between Woodside and Redwood City and intermediate points, although proposing to carry passengers in such territory that were destined to or originating at points on the route beyond Woodside.

Thos. W. Springett, Secretary-Treasurer of applicant, testified that since July 1, 1930, his company had operated freight and passenger service between Redwood City and San Gregorio, service having been given in connection with the operation of a mail contract entered into with the United States Postoffice Department. This service has been rendered without charge to the public and as an accommodation, there being no public carrier at present operating over the route herein sought, the service of the Scenic Auto Stage Line, operated by Geo. Carr, having been discontinued on July 1, 1930, leaving the territory without public transportation. The company is

handling about one ton of freight, daily, for which no charge is made. Witness company has a demand for both freight and passenger service and is properly equipped to render efficient and regular service in the event that the application be granted.

T. E. Roe, a witness engaged in grain and general farming at San Gregorio, testified that he frequently had occasion to visit Redwood City, the county seat of San Mateo County; that due to the absence of regular public transportation it was now necessary to go to Redwood City by way of Colma. Witness has not seen the stages of the Scenic Auto Stage Line operating during the past month, and needs the service proposed by applicant.

Frank M. Coullart, a witness residing at Pescadero and operating a blacksmith shop and confectionary store at that point, testified that he is now a member of the San Mateo County grand jury; that as a member of such grand jury he is required to attend sessions at Redwood City; that he has no means of public transportation as there is no stage connection available at San Gregorio; that he needs freight as well as passenger service; and that the granting of the application and the establishment of a regular service is necessary for his personal needs.

R. P. Watt, a witness engaged in the real estate business at Redwood City, testified that he was interested in the sale of a subdivision at Sky Londa, a point intermediate between Redwood City and San Gregorio; that no public transportation was at present available; and that for the needs of the rapidly developing subdivision at Sky Londa the application should be granted and the service established.

Mrs. Jennie Giacomino, a witness residing between La Honda and San Gregorio, testified that she operated a hotel, cabins, service station and general store; that many people come to her place via Redwood City who at present have no means of public transportation; that she also has need of the proposed service

for the transportation of freight from Redwood City; and that the granting of the application is a necessity for the conduct of her business.

Mrs. E. M. Alford, a witness residing at San Gregorio, and engaged in the general merchandise business, testified that she received freight from both San Francisco and Redwood City; that the service formerly operated by the Scenic Auto Stage Line had been discontinued since July 1, 1930, resulting in there being no public transportation service available between San Gregorio and Redwood City; that the Woodhams Freight Line has not been seen by witness in operation for the past three months, and that the service as proposed by applicant is very necessary for the needs of witness both in the transportation of freight and passengers.

T. R. Kusell, a witness connected with the Pioneer Mercantile Co. General Merchandise at La Honda, testified that his company received freight from San Francisco and Redwood City; that there was no regular or dependable freight service available as the Woodhams freight line neither operates daily service or a regular service. Witness needs the proposed service of applicant, particularly for perishable goods. If the service is established witness will use same, that of the Scenic Auto Stage Line, now discontinued, and Woodhams Freight Line not being dependable.

Roy Scott, a garage owner, residing and in business at Pescadero, testified that he traveled from Pescadero to Redwood City in his own car but needed the service proposed by applicant for the transportation of freight. Witness has been obliged to purchase his auto parts and supplies in San Francisco instead of Redwood City by reason of there being no available transportation service, although preferring to patronize merchants in Redwood City, thereby saving time and enabling earlier delivery to customers. Witness regards the proposed service as a necessity and a distinct advantage as regards his business.

Mr. Carullo, a landscape gardener and now employed on an estate between La Honda and San Gregorio, at times employs five or six men all of whom have need for the receipt of freight from Redwood City. Witness now knows of no public carrier that is giving the service desired and regards the proposal of the applicant to meet an absolute necessity. Witness must have some service to meet his requirements.

From the record herein there appears no opposition to the granting of the instant application. The service proposed appears to be one that is necessary for the merchants residing along the proposed route between Redwood City and San Gregorio, and will enable freight and passengers to move via a direct route instead of via the indirect route via Colma, which necessitates the consumption of a longer time and does not permit the making of a round trip in a single day if any business is to be transacted in Redwood City. It is our conclusion, based on the record herein, that the applicant has justified the public convenience and necessity for the establishment of the proposed service between Redwood City and San Gregorio and intermediate points and that a certificate authorizing said service should be issued, and also that authority should be given for the linking up of the proposed route with the present operative rights now possessed by the applicant.

Coastside Transportation Company, a corporation, is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used as a basis for 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

A public hearing 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 conclusion as

appearing 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 Coastside Transportation Company, a corporation, of an auto stage
line as a common carrier of passengers and freight between Redwood
City and San Gregorio and intermediate points, and

IT IS HEREBY ORDERED that a certificate of public convenience
and necessity be and the same hereby is granted to Coastside
Transportation Company, a corporation, for the operation of an
automobile stage line as a common carrier of passengers and freight
between Redwood City and San Gregorio and the intermediate points
of Woodside, Sky Londa and La Honda, provided, however, that no
local business may be transacted between Redwood City and Woodside
and intermediate points unless said business originated at or is
destined to points south of Woodside, and

IT IS HEREBY FURTHER ORDERED that Coastside Transportation
Company, a corporation, is hereby authorized to consolidate the
operative rights herein granted with the operative rights as here-
tofore granted by Decisions Nos. 18025 and ¹⁸²⁶⁷~~18025~~ on Application H.P.M.
No. 11801 and covering the following points:

"Between San Francisco and Pescadero via the Coast
Route and serving the following intermediate points,
to wit: Salada, Brighton, Vallemar, Rockaway,
Pedro, Montara, Moss Beach, Princeton, El Granada,
Miramar, Half Moon Bay, Purisima, Lobitos, Tunitas,
San Gregorio, Pomponio and Pescadero.
Between Pescadero and Santa Cruz and the following
intermediate points, to wit:
Pigeon Point, Gazos Creek, White House Ranch,
Cascade Ranch, Coastways Ranch, County Line,
Waddell Creek, Belvedere Ranch, Swanton, Davenport,
Laguna and Cordola,

and for

"the operation by Coastside Transportation Company
of an automotive service for the transportation of
freight and express only between Half Moon Bay and
San Mateo and all the termini and intermediate
points served by applicant, said operation to be
conducted as part of the consolidated service
herein authorized; provided, however, that there shall
be no service between San Francisco and San Mateo."

"That the order herein shall not be construed as an order prohibiting the operation by Coastside Transportation Company as a detour service only of loaded freight trucks (by loaded trucks is meant trucks as they stand at scheduled time of departure and even if not filled to capacity) between San Francisco and Halfmoon Bay via the Peninsular Highway and San Mateo; provided that said trucks shall carry only such property as is destined to or originates at San Francisco, on the one hand, and points upon applicant's consolidated operating right west of but not including San Mateo, and south of and including Halfmoon Bay."

And to further consolidate the rights herein granted with the operating rights as heretofore granted to applicant herein by the provisions of Decision No.21287 on Application No.15562, as decided June 27, 1929, as follows:

"public convenience and necessity require the establishment of free pick-up and delivery service by applicant at all points between Santa Cruz and Spring Valley Station, within five miles on either side of the coast highway, as now traversed by applicant; provided, however, that such pick-up and delivery zone shall not include any point along the main peninsula highway (El Camino Real) north of, and including San Mateo; also for an extension of service between San Gregorio and La Honda with pick-up service five miles on either side of the highway traversed; provided, however, that applicant shall not transport any property between San Gregorio and La Honda and intermediate points unless such property is received from or destined to points north or south of San Gregorio and over and along the following route:

Via the main highway between terminals."

The rights and privileges herein granted are subject to the following conditions:

- 1- Applicant shall file/^{its}written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.
- 2- 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.

3- 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.

4- 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.

Dated at San Francisco, California, this 13th day of

August, 1930.

C. L. James
George J. ...
Leon Whitely
Thos B. ...
W. A. ...
Commissioners.