

Decision No. 23424

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 GEORGE C. COWART for a certificate of
 public convenience and necessity to operate
 an automobile stage line for the transporta-
 tion of passengers, baggage, freight
 and express for compensation between
 Pacific Grove, Carmel, Carmel Mission,
 and the junction of the Monterey-Jamesburg
 County Road with the Coast Highway, and
 intermediate points.

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) Application
) No. 16570
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Harry A. Encell, for Applicant.
 E. A. Williams, for Bay Rapid Transit Co.,
 Protestant.

STEVENOT, Commissioner -

OPINION on REHEARING

By Decision No. 23050 the Railroad Commission granted to George C. Cowart a certificate of public convenience and necessity authorizing him to operate an automotive passenger stage service for the transportation of passengers, baggage and express between Pacific Grove and the intersection of Coast Highway and Jamesburg road, a point approximately one mile easterly of Carmel, subject to the following restriction:

"2- That no local service may be performed between the City of Pacific Grove, on the one hand, and the intersection of Pacific Grove-Carmel highway and Monterey-Carmel highway, and the intersection of Rio Road and the Carmel-San Simeon Coast Highway and intermediate points, on the other hand. Neither may any local service be given between the intersection of Pacific Grove-Carmel Highway and Monterey-Carmel Highway, and the intersection of Rio Road and the Carmel-San Simeon Coast Highway and intermediate points."

Applicant filed an application for a rehearing and on January 15, 1931, the Commission granted this application for said rehearing.

A rehearing was held at Pacific Grove, further evidence taken and an order of submission made, counsel for both applicant and protestant stipulating that the record made at the original hearing be made part of the proceedings on rehearing. At the rehearing ten new witnesses were heard on behalf of applicant. Among the witnesses were the Mayor of Pacific Grove, a hotel manager of Carmel, several merchants and realtors, representatives of civic organizations and others of varying interests in the territory proposed to be served. Three petitions signed by 147 persons residing in the territory involved and urging the Commission to grant the Cowart application, were admitted in evidence. There was also admitted in evidence a resolution adopted by the Board of Directors of the Chamber of Commerce of Pacific Grove supporting the Cowart application, also a resolution adopted by the City Council of Pacific Grove approving said application.

The testimony of the witnesses called by applicant at the rehearing was to the effect that the service proposed was required by public convenience and necessity. Each voiced a desire for a through service between Pacific Grove and Carmel and Carmel Mission, and each was of the opinion that the new road between the two communities should be made available to the public through the establishment of a public transportation service over it. The proposed route, they declared, was highly scenic, more direct than the route between Pacific Grove and Carmel, via Monterey, and a link in the highway system of the county which should be utilized for the advancement of business and social intercourse between the 6000 people of Pacific Grove and the 3000 people of Carmel. The witnesses testified that the Carmel-Pacific Grove territory is an area attractive to tourists and, in their opinion, would be greatly benefited by the additional service proposed.

At the rehearing one public witness, W. G. Gould, was called by protestant. He testified that in his opinion the proposed service was not a necessity but a convenience. It was stipulated that the testimony of six other witnesses proposed to be called by protestant would be the same as that of Gould.

Applicant Cowart called by protestant testified that he would purchase at least two cars for the service if granted a certificate, and estimated the cost of operation at 25 cents a mile. He further estimates that patronage totaling 120 passengers daily would be available during a large part of the year.

On his own behalf, A. J. Mason, one of the proprietors of Bay Rapid Transit Company, protestant, testified that he owned 16 pieces of equipment, representing an investment of \$100,000., which he uses in the public service on the Monterey Peninsula; that over a period of years he had carefully studied the public transportation needs of the Peninsula and was prepared to meet any demands. He said he was now giving all of the service between Pacific Grove and Carmel, by his route via Monterey, required, and was of the opinion that the traffic anticipated by applicant Cowart would not be available for some time to come. He stated that he expected direct operation over the new road as proposed by applicant Cowart would result in the loss to Bay Rapid Transit of all its Pacific Grove-Carmel traffic, which he estimated at approximately ten percent of his patronage. A traffic check submitted by him (Exhibit No.7) showed that in 1930 Bay Rapid Transit Company transported 2584 passengers monthly between Monterey and Carmel; 2737 in 1929; 2733 in 1928 and 2700 in 1927. The daily average for the same years, respectively, was 48, 90, 91 and 90.

None of the witnesses complained of the general service given by the Bay Rapid Transit Company. They did not question its adequacy and efficiency between Pacific Grove and Monterey, all of the criticism being directed towards the change of buses at Monterey required on the trip between Pacific Grove and Carmel via

Monterey on the Bay Rapid Transit Company schedules. They also objected to the fact that on several of the schedules connection for Carmel was not provided, compelling a lay over. Witness Mason testified that with proper connection the Bay Rapid Transit schedules make the trip in 28 minutes. Mason also testified that no complaints had been made to him regarding the change of buses at Monterey for Carmel. The time schedule submitted by applicant Cowart shows that a trip from Pacific Grove to the Coast Highway Junction, named as his other terminal, takes 35 minutes. From the town center of each terminal there appears to be little difference in time. The mileage over the two routes, however, is shorter via the direct highway.

After a thorough review of all the evidence in this proceeding, including that adduced at the original hearing, I conclude, and find as a fact that public convenience and necessity does not require the service proposed to be established by applicant. There is nothing in the record to show that the traffic anticipated by applicant will materialize, and while undoubtedly the new service would prove a convenience to many, there exists no need for it at this time. The existing carrier, Bay Rapid Transit Company, is giving adequate service between Pacific Grove and Carmel. To divert any material part of the traffic available would diminish an income not any too large to an extent that would soon be reflected in the service. There is nothing in the record to show that protestant Bay Rapid Transit Company has neglected its obligations to the public. It has ample equipment for all present needs and its investment should not be subjected to unnecessary competition in a limited field. The application should be denied and I do so recommend.

O R D E R

A rehearing having been held in the above entitled matter, and the Commission being fully advised,

IT IS HEREBY ORDERED that Application No. 16570 be and the same is hereby denied.

IT IS HEREBY FURTHER ORDERED that Decision No.23050 be and the same is hereby revoked and annulled.

The above opinion and order are hereby approved and adopted as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 24th day of February, 1931.

C. Seaman
Leon O. Russell
W. J. C.
M. B. Hayes
Fred G. Stewart
COMMISSIONERS.