

Decision No. 8523

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of)
Harry L. Staples and Jas. W. Gray)
for a certificate of public convenience)
and necessity to operate an automobile) APPLICATION NO. 6080
freight and express service and automo-)
bile passenger service between San)
Francisco and Pescadero, San Mateo)
County, and the intermediate points.)

J. E. Mc Curdy, for applicant.
Fred C. Peterson, for the Red Star Stage Line,
in opposition to the applicant .

BY THE COMMISSION -

O P I N I O N

This is an application by Harry L. Staples and Jas. W. Gray, co-partners, under the name of the Coastside Transportation Company, for a certificate of public convenience and necessity to operate auto passenger and freight service between San Francisco and Pescadero. The route to be followed is via the Mission Road from San Francisco to Colma, thence via the Colma Boulevard through Salada, Rockaway, Montara, Half Moon Bay, Tunitas, San Gregorio and Pescadero, serving all of the intermediate territory.

The proposed service will be in competition with the Red Star Stage Line, now operating over the same route, with an alternate route through San Mateo and the Spring Valley Road to Half Moon Bay. The service of this applicant will not parallel that of protestant, insofar as the territory between San Mateo and Half Moon Bay is concerned.

The Red Star Stage Line protests the granting of this certificate upon the grounds that the public is being adequately

served by the established company and that there is no public necessity for the operation of a second automobile line.

Hearings were held at San Francisco before Examiner Geary on September 11 and October 8, 1920, and the matter is now ready for a decision.

At the time this application was before the Commission, hearings were also being held in connection with Application No. 6070 of the Ocean Shore Railroad for an order permitting it to discontinue operating its line between San Francisco and Tunitas and it was stipulated that all of the testimony and exhibits presented to the Commission in connection with Application No. 6070 would be considered in the instant proceeding wherever relevant.

The applicants have had some experience in automobile transportation business. During the past few years they have been operating stages between Pescadero and Tunitas and at one time operated a line between Pescadero and Swanton. They have the United States mail contract between Tunitas and Pescadero and between Pescadero and Swanton, which expires in July 1925. Applicants now have two automobiles for the transportation of passengers and freight and are preparing to put on additional vehicles to meet the demand of the shipping and traveling public. It is alleged that there are not now sufficient facilities to meet the needs of the situation, by reason of the entire discontinuance of service by the Ocean Shore Railroad. The railroad, because of conditions which appear more fully in Decision No. 8216 of this Commission, discontinued operations in August 1920, and by said Decision No. 8216, dated October 9, 1920, was authorized to cease permanently the service on its northern division between San Francisco and Tunitas and to dismantle and dispose of its property. Since the authority granted in this decision, the company has been removing its rails and

the line at this time has been torn up to a point near Rockaway Beach.

While certain parties evidenced some interest in a plan to purchase the railroad, such plans have been definitely abandoned and there is now no hope for the rehabilitation of the Ocean Shore Railroad.

By exhibits and testimony introduced at the hearings in Application No. 6070 it was shown that the railroad hauled on its northern division in the year 1919, 34,957 tons of freight and 95,334 passengers and this enormous volume of traffic is now being handled entirely by automobile trucks and automobile passenger vehicles. As heretofore stated, the Red Star Stage Line protested against the granting of a certificate of public convenience and necessity on the basis that it has ample accommodations to meet all of the requirements of the traffic. The testimony of patrons of this company dealt mainly with the conditions existing prior to the discontinuance of the railroad service. Other testimony, however, was introduced by a large number of residents and shippers in the district to be served to the effect that no one company could satisfactorily meet the demands of the public since the abandonment of the railroad. Testimony also showed that a great number of "for hire" trucks are making trips upon contract rates whenever a satisfactory load could be secured. The rates of these "for hire" vehicles are not constant and vary as to the immediate necessities of the shipper. Their service is not performed regularly and, therefore, is not dependable.

The established utility is entitled to a deep consideration and under ordinary circumstances where the service rendered supplies adequately the transportation needs of patrons the Commission would decline to authorize a second company to enter the competitive field. We are here confronted with a peculiar situation brought about by the sudden discontinuance of a standard gauge steam railroad operating into a large metropolis and heretofore handling a heavy traffic.

both in passengers and freight. The facilities of the established automobile company are limited and the testimony shows that its vehicles are frequently overcrowded, especially on Sundays and holidays. It does not, and cannot handle the volume of traffic to be moved and the shippers and passengers are, to a greater or less extent, dependent upon their own automobiles or upon the "for hire" vehicles operating at irregular periods on no fixed schedules of rates.

Upon full consideration of the record, we are of the opinion and find as a fact that public convenience and necessity require the establishment of a second company in moving passengers and freight between San Francisco and Pescadero and are therefore of the opinion that this application should be granted.

O R D E R

Harry L. Staples and Jas. W. Gray, operating under the fictitious name of Coastside Transportation Company, having filed an application requesting that the Railroad Commission make its order declaring that public convenience and necessity require the operation by them of an automobile passenger and freight line as a common carrier between San Francisco and Pescadero and the intermediate points, a public hearing having been held and the matter having been duly submitted, and the Commission being fully advised and basing its order on the findings of fact in the foregoing opinion, the Railroad Commission hereby declares that public convenience and necessity require the operation by Harry L. Staples and Jas. W. Gray of an automobile service as a common carrier of passengers and freight between San Francisco and Pescadero and the intermediate points.

IT IS HEREBY FURTHER ORDERED, that the rights and privileges herein authorized may not be transferred nor assigned unless the written consent of the Railroad Commission to such transfer or assignment has first been procured.

IT IS HEREBY FURTHER ORDERED, that applicants file with the Railroad Commission within twenty (20) days from the date of service of this order a written acceptance of the certificate herein granted, such acceptance to contain advice as to the date upon which service will be commenced, which date shall not be more than ninety (90) days from the date of service of this order.

IT IS HEREBY FURTHER ORDERED, that no vehicle may be operated under this certificate, unless such vehicle is owned by applicants herein, or is leased by said applicants under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 8th day of January, 1921.

H. H. Leonard
Frank Miller
H. B. Rounding
COMMISSIONERS.