

Decision No. 26160.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PACIFIC GREYHOUND LINES, INC., a
corporation, for authority to reroute
portion of existing service between
Palo Alto and Sunnyvale Junction, and
for a certificate of public convenience
and necessity authorizing operation of
auto stages between Felton Road and
Felton Station.

Application No. 18910.

ORIGINAL

H. C. Lucas and T. Finkbohner, for applicant.

J. B. Held, for Peerless Stages, interested party.

BY THE COMMISSION:

O P I N I O N

Pacific Greyhound Lines, Inc., applicant herein, seeks a certificate of public convenience and necessity for the establishment of service by auto stage between Felton Road and Felton Station, serving Mt. Hermon as an intermediate point.

The service will be by diversion of one schedule in each direction between San Francisco and Santa Cruz over the highway between Felton Road and Felton Station. The service is necessary because of the formal opening of Mt. Hermon Association Religious Colony on June 11, and is in addition to the rail service to Felton Station.

This matter was granted by a preliminary opinion and order of the Commission on June 8, 1933, without a public hearing (Decision 26046).

In addition to the foregoing service authorized, the applicant herein requests an order for a certificate of public convenience and necessity permitting the operation of automotive passenger stage service for the transportation of passengers, baggage and express between Palo Alto and Mountain View and all intermediate points, via extension of Alma Street in Palo Alto; for authority to reroute certain schedules between Palo Alto and Sunnyvale Junction via Mayfield and Mountain View Junction via the new route and Mountain View and Sunnyvale; and for a consolidation of such certificate of public convenience and necessity with certificates heretofore granted applicant by this Commission.

The maps of the routes in detail are shown in Exhibits A and B attached to the application and the time schedules are shown in detail in Exhibits C, D, E and F of the application. No new fare points are to be established in connection with the proposed service, applicant adhering to the passenger tariff No. D-53, C.R.C. 266. Applicant is now serving all points named in said application with the exception of that service designated as the Felton Road and Mt. Hermon service in which the aforesaid preliminary opinion and order have been issued, and the tariffs for such Felton Road service are set forth in Exhibit G attached to said application.

Rates to be assessed for express service and rules and regulations governing same are set forth in applicant's Standard Express Tariff C.R.C. 5 and joint and interdivision tariff on file with this Commission. The necessary mileage table supplement is to be issued upon the granting of this application.

Public hearing in the above entitled matter was held before Examiner Johnson at San Francisco on June 26, 1933, at which time the only apparent protestant, Peerless Auto Stages, withdrew

its opposition. At said hearing the applicant showed that service between the business district of Mountain View and Sunnyvale has been rendered by means of shuffle-car operation and that this service has been operated at considerable loss; that it is proposed by the rerouting to divert certain schedules now operating between San Francisco and Santa Cruz or San Jose, via El Camino Real, to the proposed new routing between Palo Alto and Sunnyvale, and that by virtue of this rerouting Sunnyvale and Mountain View will be given direct service without change of busses to Palo Alto and San Francisco on to San Jose or to Santa Cruz; that by the aforesaid rerouting the expenses of shuttle-car now operated will be eliminated and both Mountain View and Sunnyvale will be placed on the main line of applicant. It was also shown that applicant is at present operating service between San Francisco and Santa Cruz, via Los Gatos and Felton Road, and between Santa Cruz and Boulder Creek, via Felton Station, but that on the connecting road between Felton Station and Felton Road, a distance of approximately three miles, there is no common carrier bus service and that on this intervening space of highway there is located the Mt. Hermon Resort, a very populous place in summer time; that by the recent elimination of certain Southern Pacific trains Numbers 33 and 34 Mt. Hermon Resort, Felton and Big Trees have had transportation facilities to San Francisco considerably reduced, causing public demand for additional transportation from this bus line; and that by the granting of this application the applicant will be enabled by rerouting certain Santa Cruz schedules via Felton to make direct service available to these resorts with but slight increase in bus miles.

The applicant was supported in its application by the City of Sunnyvale, the Chamber of Commerce of Sunnyvale, and a

petition of residents of Mountain View and Sunnyvale.

The applicant herein entered into a stipulation with the Peerless Stages, Inc., in the following language:

"No service may be rendered locally between Los Gatos and Santa Cruz, both points inclusive, and all intermediate points, excepting that service may be rendered locally between Felton Road and Mt. Hermon, and between Mt. Hermon and Santa Cruz and all intermediate points, providing, however, that no local service be rendered between Felton Road and Santa Cruz via either the present or proposed route, and that no fares be published which name a rate between Felton Road and Santa Cruz."

Thereupon Peerless Auto Stages withdrew its protest.

It is our opinion that the application should be granted.

Pacific Greyhound Lines, Inc., 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

Pacific Greyhound Lines, Inc., having made application for a certificate of public convenience and necessity to operate its auto stage service between Felton Road and Felton Station, as an extension and enlargement of its service between San Francisco and Santa Cruz via Los Gatos; and granting Pacific Greyhound Lines, Inc., certificate of public convenience and necessity permitting the operation of automotive passenger stage service for the transportation of passengers, baggage and express between Palo Alto and Mountain View and all intermediate points via extension of Alma

Street, in Palo Alto; and authority for the rerouting of certain schedules now operating between Palo Alto and Sunnyvale Junction via Mayfield and Mountain View Junction, via the new route and Mountain View and Sunnyvale; and consolidating such certificate of public convenience and necessity with certificates heretofore granted applicant by your Honorable Commission.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the extension and operation as herein requested for passengers, baggage and express between Mountain View and Palo Alto, over and along the extension of Alma Street between said points, serving all intermediate points.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted Pacific Greyhound Lines, Inc., as an extension and enlargement of its operating rights granted by Decision No. 23244 on Application No. 16989 and supplemental orders, and is hereby consolidated with such rights, subject to the following conditions:

1. Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
2. Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than one day's notice to the Commission and the public a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application in so far as they conform to the certificate herein granted.
3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from date hereof, on one day's notice to the Commission and the public, time schedules covering the service herein authorized, in a form satisfactory to the Railroad Commission.

4. 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.
5. 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.

IT IS HEREBY FURTHER ORDERED that Decision No. 26046, dated June 8, 1933, be amended by eliminating Condition No. 1 therein and substituting the following:

"No service may be rendered locally between Los Gatos and Santa Cruz, both points inclusive, and all intermediate points, excepting that service may be rendered locally between Felton Road and Mt. Hermon, and between Mt. Hermon and Santa Cruz and all intermediate points, providing, however, that no local service be rendered between Felton Road and Santa Cruz via either the present or proposed route, and that no fares be published which name a rate between Felton Road and Santa Cruz."

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 17th day of July, 1933.

CC Leary
Leon Aubrey
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W. H. L...
Commissioners.