

Decision No. 27581

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of COAST LINE STAGES, INC. for a)
certificate of public convenience)
and necessity between Duncan Mills) Application
and Monte Rio and to consolidate) No. 19482
same with existing certificate.)

ORIGINAL

J. Olinsky for Applicant

BY THE COMMISSION:

O P I N I O N

Coast Line Stages, Inc. 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, baggage and express between Duncan Mills and Monte Rio and way points as an extension of its operative rights between Fort Bragg and Duncan Mills; also for authority to consolidate its proposed extended operative rights between Fort Bragg and Monte Rio with its other operative rights between Fort Bragg and other points and communities hereinafter described; also for authority to publish joint tariffs and through fares and rates between all points on its proposed consolidated operative rights and all points on the lines of Russian River Stages and Pacific Greyhound Lines, Inc.

A public hearing on this application was conducted before Examiner Satterwhite at Point Arena, the matter was submitted and is now ready for decision.

Applicant proposes to charge rates and fares in accordance with Exhibit A attached to said application.

Applicant proposes to charge fares and rates for service between points on applicant's consolidated system and points on the line of the Russian River Stages, in accordance with Exhibit B attached to said application.

Applicant proposes to charge rates and fares for service between points on applicant's consolidated system and of points on Pacific Greyhound Lines, Inc., in accordance with the combination of rates set forth in Exhibit B attached to said application.

Applicant proposes to operate under a time schedule and over the route between all points proposed to be served in accordance with Exhibit C attached to said application.

No one appeared in opposition to the granting of said application.

Applicant now owns and operates the following operative rights:

1. Passengers, baggage and freight between Fort Bragg and Duncan Mills and intermediate points via Jenner, and between Fort Bragg and Rockport and intermediate points, as authorized under Application No. 12319 in Decision No. 15837.

2. School children only between Fort Bragg and a point two miles east on Pudding Creek road, as authorized under Application No. 9433 in Decision No. 12998.

By Decision No. 24600 in Application No. 17997,

applicant's rights between Fort Bragg and Rockport and between Cazadero and Fisk Mills were revoked at applicant's request. The operations between Fort Bragg and Pudding Creek (Decision No. 12998 on Application No. 9433, are now operated under contract with the School District and should not be consolidated.

Applicant offered oral and documentary evidence in support of the proposed extended and consolidated service. The evidence shows that the passenger and freight service now operated by applicant has no connection with any other stage and express line, with the result that the inhabitants of the various communities served by applicant are unable to utilize the present stage services to reach other points in the State of California. The record shows that there is a considerable demand on the part of the travelling public for the proposed extended service. It also appears that the patrons of applicant's lines and the general public, through its inability to secure stage service from and to other points in California from and to the territory served by applicant's service, are compelled to use other means of transportation with considerable loss of time and at additional expense. The establishment of service as proposed in connection with the service of Russian River Stages will afford inhabitants on the Coast portion of Sonoma county direct access by stage to the county seat of Santa Rosa. It was shown that the proposed extended service will become a part of a through route to and from Fort Bragg, rather than a disjointed local stage service, and will thereby increase the revenues of applicant and enable it to serve better all the communities which are dependent upon the present stage

service for their transportation requirements.

After a careful consideration of the evidence in this proceeding, we are of the opinion and hereby find as a fact that public convenience and necessity require the proposed extended service and also the proposed consolidated service of applicant and the application should be granted.

Coast Line Stages, 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

A public hearing having been held in the above entitled proceeding, the matter having been submitted and being now ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Coast Line Stages, Inc., of an automobile stage service as a common carrier of passengers, baggage and express between Duncan Mills and Monte Rio and way points, not as a separate service, but in addition to applicant's present passenger, baggage and express rights between Fort Bragg and Duncan Mills and also for an order authorizing the consolidation of all operative rights now owned and herein sought by applicant for the transportation of passengers, baggage^{express} and freight, which rights are as follows:

1. Passengers, Baggage and freight between Fort Bragg and Duncan Mills and intermediate points via Jenner, as authorized under Application No.12319 in Decision No.15837.

2. Authority herein granted permit passenger, baggage and express operations between Duncan Mills and Monte Rio.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to said applicant for the operation of passenger, baggage and express service between Duncan Mills and Monte Rio, not as a separate service, but in addition to applicant's present passenger, baggage and express rights between Fort Bragg and Duncan Mills.

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to Coast Line Stages, Inc., to consolidate all operative rights above described and now owned by said applicant and those rights herein granted to said applicant for the transportation of passengers, baggage and express between Duncan Mills and Monte Rio.

IT IS HEREBY FURTHER ORDERED that applicant shall have and is hereby granted the authority to publish joint tariffs and through fares and rates between all points on the consolidated operative rights as herein authorized and between all points on the lines of Russian River Stages and Pacific Greyhound Lines, Inc.

The authority herein granted to consolidate and unify all the operative rights now owned by applicant (except rights between Fort Bragg and Pudding Creek) and the operative right as granted herein 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 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 after the effective date of this order, on not less than five days' 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 show in the exhibits attached to the application in so far as they conform to the certificate herein granted, or rates satisfactory to the Railroad Commission.

3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than five (5) days' 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.

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 10th day of December, 1934.

Leon A. Whiskey
W. J. Cunn
W. S. Hansen
W. H. H. H. H.
W. H. H. H. H.
Commissioners.