

ORIGINAL

Decision No. 29290.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of SACRAMENTO NORTHERN RAILWAY for certificate of public convenience and necessity to operate an auto-stage line for the transportation of passengers, baggage and express, as a common carrier, for compensation, between Sacramento, Oroville, and Chico, and intermediate points (other than locally between Sacramento and Rio Linda and intermediate points).

Amendment to
Amended Application
No. 19862.

In the Matter of the Application of CALIFORNIA-NEVADA STAGES, INC., for a certificate of public convenience and necessity to operate auto-stage lines for the transportation of passengers, baggage and express as a common carrier, for compensation, between Marysville, Oroville, Chico, and intermediate points, over the routes and between the points herein set forth.

Application No. 19954.

In the Matter of the Application of PACIFIC GREYHOUND LINES, INC., a corporation, for certificate of public convenience and necessity to operate a passenger stage service, as a common carrier of passengers, baggage and express, between Roseville and Red Bluff via Marysville and Chico.

Amended
Application No. 19983.

In the Matter of the Application of PACIFIC GREYHOUND LINES, INC., a corporation, for certificate of public convenience and necessity to operate a passenger stage service, as a common carrier of passengers, baggage and express between Roseville and Red Bluff via Marysville and Chico, subject to the restriction that no intrastate passengers or express are to be picked up or discharged between Roseville and Red Bluff.

Application No. 20369.

IN THE Matter of the Application of PACIFIC GREYHOUND LINES, INC., a corporation, to purchase, and C. D. CHAMBERLAIN, doing business under the name and style of Golden Empire Stages, to sell certain operative rights for the transportation of passengers, baggage and express between Chico and Red Bluff.

Application No. 20425.

APPEARANCES

L. M. Bradshaw, for Sacramento Northern Railway and
The Western Pacific Railroad Company.

Ware & Ware, by Allison Ware, for California-Nevada
Stages, Inc.

H. C. Lucas and T. Finkbohner, for Pacific Greyhound
Lines, Inc.

Edward Stern, for Railway Express Agency, Inc.

H. W. Hobbs, for Southern Pacific Company.

Harry See, for Brotherhood of Railroad Trainmen.

Fred E. Reynolds, for Brotherhood of Locomotive Engineers
and the Order of Conductors.

R. L. Miller, for California Farm Bureau Federation.

HARRIS, COMMISSIONER:

OPINION

In each of the above entitled applications there is sought a certificate of public convenience and necessity to operate automotive passenger stages through the territory on the east side of the Sacramento River between Sacramento and Roseville on the south, Oroville on the east, and Chico on the north.

Public hearings were held in these matters in Sacramento, Chico, Biggs, Marysville, Lincoln, and San Francisco.

At the initial hearing in Sacramento on September 10, 1935, these matters were consolidated for hearing and determination, and at the final hearing in San Francisco on May 15, 1936, the matters were submitted on concurrent opening and reply briefs. These briefs have now been filed and the matters are ready for determination.

DESCRIPTION OF THE VARIOUS APPLICATIONS:

Application No. 19882, filed March 23, 1935:

In this application a certificate of public convenience

and necessity is sought by Sacramento Northern Railway to establish and operate an automotive stage line for the transportation of passengers, baggage, mail, and express between Sacramento and Chico, California, and intermediate points, as follows: Elverta, Trowbridge, Rio Oso, Marysville, Yuba City, Live Oak, Gridley, East Gridley, Palermo, Oroville, and Durham. It is proposed to operate one round trip daily, leaving Sacramento in the morning and leaving Chico in the late afternoon. The offer of service excludes local passenger, baggage, mail or express between Sacramento and Rio Linda and intermediate points.

This service is to be operated in addition to and in coordination with the existing train service of Sacramento Northern Railway which now consists of three round trips daily between Sacramento and Chico with shuttle service to Oroville from Oroville Junction. The proposal further contemplates that the tickets for passengers upon trains of both Sacramento Northern Railway and The Western Pacific Railroad Company will be interchangeable for use on the automotive stage service or existing trains at the option of the holder.

Application No. 19954, filed May 9, 1935:

In this application a certificate of public convenience and necessity is sought by California-Nevada Stages, Inc., to establish an automotive stage service for the transportation of passengers, baggage and express as an extension of its existing Sacramento-Marysville service in order that it can serve the territory between Marysville and Chico, including the following communities: Live Oak, Gridley, East Gridley, Palermo, Oroville, Biggs, Richvale, and Durham. The proposed routes and services are as follows:

Route A: Two round trips daily between Marysville and Chico via Live Oak, Gridley, East Gridley, Robinson Corner, Palermo, Oroville and Durham. This routing is identical with the proposed route of Sacramento Northern Railway (Application No. 19882), between Marysville and Chico.

Route B: One round trip daily between Marysville and Chico via Yuba City, Live Oak, Gridley, Biggs, Oroville Wye, Richvale, Nelson, and Durham, and connects directly with a shuttle service to Oroville from Oroville Wye.

Route C: One round trip daily from Marysville to Chico via the District 10 Highway (California Highway Commission Route No. 87) to Robinson Corner and Oroville, and thence via the remainder of Route A through Durham to Chico.

Durham Local: This is a special service, between Durham and Chico, which includes and offers six additional round trips between Durham and Chico.

Application No. 19983, filed May 29, 1935:

In this application, as amended, Pacific Greyhound Lines, Inc., seeks a certificate of public convenience and necessity to operate an automotive stage service for the transportation of passengers, baggage and express between Roseville and Red Bluff and intermediate points via Chico and Marysville. This offer of service proposes to serve intermediate points except between Marysville and Sacramento. The proposed service consists of one trip daily in each direction by presently operated interstate schedules between Redding and Los Angeles southbound, and Modesto and Redding northbound.

Description of the route, proposed time tables, and tariffs are shown on exhibits attached to the application as amended.

Application No. 20369, filed February 6, 1936:

In this application a certificate of public convenience

and necessity is sought by Pacific Greyhound Lines, Inc., to operate an automotive stage service between Red Bluff and Roseville, subject to the restriction that no intrastate passengers be picked up or discharged at intermediate points between Red Bluff and Sacramento. Service is proposed to consist of one trip in each direction daily by through schedule between Redding and Los Angeles southbound and between Modesto and Redding northbound. The route and service is the same as that proposed in Application No. 19983.

Application No. 20425, filed May 17, 1936:

In this application Pacific Greyhound Lines, Inc., requests permission to acquire the operative rights of C. D. Chamberlain between Chico and Red Bluff to consolidate same with the remainder of its system, subject to the condition that the order of consolidation will not permit operation of through stages between Sacramento and Chico via Red Bluff and/or Proberta, nor between San Francisco and Oakland on the one hand and Chico on the other via Red Bluff and/or Proberta.

DESCRIPTION OF TERRITORY:

The territory involved in these proceedings is that portion of the Sacramento Valley, commonly known as the east side, between Sacramento and Chico, and includes all of the sizable communities between, including Oroville.

This territory is almost entirely devoted to agriculture. The area between Sacramento and Roseville on the south, and Marysville on the north is largely given to the grain and live stock industry. Between Marysville and Oroville and adjacent to the so-called District 10 road (State Highway No. 87), the land is occupied with diversified orchards. Between Yuba City and Gridley and adjacent to U. S. Highway No. 99-E (State Route No. 3), we find that

the growing of peaches constitutes the majority of the orchard area. Between Gridley and Durham we again find a large grain area, with rice predominating. Between Durham and Chico the principal industry consists of diversified orchards. The greatest proportion of the population of the entire area is concentrated in the largest communities such as Sacramento, Marysville, Oroville, and Chico. No endeavor will be made here to enumerate the population of the various communities as there are wide variations in the estimates of population as shown by the records. It can be said, however, that the entire area is a well built-up agricultural section of the State.

EXISTING TRANSPORTATION FACILITIES:

The following common carrier transportation companies operate in the territory involved:

1. Southern Pacific Company:

Operates two passenger trains north (east) bound and one passenger train south (west) bound daily between Sacramento and Red Bluff via Roseville, Lincoln, Marysville, Chico, and Tehama.

2. The Western Pacific Railroad Company:

Operates one passenger train daily each way between Sacramento and Oroville via El Paso, Rio Osa, Marysville, and Palermo.

3. Sacramento Northern Railway:

Operates three passenger trains daily in each direction between Sacramento and Chico, via El Paso, Rio Osa, Marysville, East Gridley, Oroville Junction, and Durham, with a branch to Oroville from Oroville Junction.

4. California-Nevada Stages, Inc.:

Operates four round trips daily between Sacramento and Marysville via Roseville, Lincoln, and Wheatland, and one round trip daily via the Garden Highway.

5. C. D. Chamberlain:

Mr. Chamberlain holds a certificate to operate motor stages between Chico and Red Bluff. This certificate is now under suspension and no service is being operated at present.

PROPOSALS:

Sacramento Northern Railway:

In its offering (Application No. 19882), Sacramento Northern Railway showed that it or its predecessor companies have conducted a general interurban electric railway business, consisting of passenger, express and freight service between Sacramento and Chico since 1907, and that the proposed motor stage service is to be installed as an integral part of its rail operations. The motor stage service is in lieu of re-establishing rail service that formerly operated. The proposal contemplates one round trip daily between Sacramento and Chico following a county road, which generally parallels its rail line between Sacramento and Marysville, and state highways and county roads between Marysville and Chico, via Oroville. A map showing the entire route is attached to the application. (Application No. 19882).

Applicant proposes that tickets will be good on either its motor stage or its passenger trains and also on trains of The Western Pacific Railroad Company with the stop-over privilege so that a passenger can make the entire trip in one conveyance or take advantage of the stop-over privilege and use one or more of the conveyances as he or she may elect.

The motor stage service as proposed, will, when coordinated with its rail service, result in four round trips between Sacramento and Marysville, Oroville and Chico.

The motor stage will handle the business of Railway Express Agency, Inc., as is being done on the passenger trains, thus increasing the express service as well as the passenger service.

Public witnesses were produced to show that the added service is desirable and a necessity to the communities involved, and that the amount of service proposed would reasonably meet

this necessity. However, these witnesses did not show that this added service between Marysville on the one hand and Sacramento on the other, was necessary for public convenience and necessity.

Sacramento Northern Railway contends that no motor stage carrier operates between the termini involved in its application, except the service of California-Nevada Stages between Sacramento and Marysville, and these operate over a different route and routes from the route selected by Sacramento Northern, therefore the proposed service will not increase the competitive situation existing between Sacramento Northern Railway and California-Nevada Stages. The only points in competition are Yuba City-Marysville on the one hand and Sacramento on the other.

Sacramento Northern Railway points out that it can at any time increase its rail service without first getting a certificate of public convenience and necessity from this Commission, and that the proposed motor stage service is merely an augmentation of its present service which can be performed more economically than by the installation of additional train service.

California-Nevada Stages, Inc.:

In its proposal (Application No. 19954), California-Nevada Stages, Inc., offers three routes between Marysville and Chico and local service between Durham and Chico, as hereinbefore described. In support of its offering it is pointed out that California-Nevada Stages, Inc., is the pioneer and principal bus operator in the territory between Sacramento and Marysville. It and its predecessors have operated passenger busses between Sacramento and Marysville since prior to 1917. It was shown that this applicant was willing and ready to perform the service offered; that it is now giving a satisfactory and convenient service on its existing routes; and that it has ample equipment to perform the proposed service.

It is contended that the service proposed will not only provide an adequate passenger service but will also provide an express service to the various communities and intermediate points.

Many public witnesses signified their belief that the offering would be a convenience to the inhabitants of the territory involved and that when necessity arose they would use such a service if placed in operation.

It was stressed that the proposed service would be operated as extensions and enlargements of and in connection with applicant's existing service between Sacramento and Marysville, via both Roseville and the Garden Highway, and would be a convenience to the public and profitable to the applicant.

Pacific Greyhound Lines, Inc.:

In its three proposals Pacific Greyhound Lines, Inc., offers a service on the east side of Sacramento Valley between Red Bluff and Sacramento via Marysville as an integral part of its statewide motor bus system. The primary reason for establishing this service is to bridge through passengers between Red Bluff on the north and Sacramento on the south. In addition, it proposes (Application No. 19985) to serve locally the territory between Chico and Marysville. In the event that it is allowed to purchase the rights of Chamberlain, it would perform local service between Red Bluff and Chico on the through bus.

Pacific Greyhound Lines, Inc., now operates an interstate schedule on the east side of Sacramento Valley between Red Bluff and Sacramento via Marysville. In the event that the instant applications are granted, this same schedule would also handle intrastate traffic without any additional expense.

CONCLUSIONS:

We have before us three applicants who, in effect, propose

to serve the same territory. If all these applications were granted with local rights, there would unquestionably be an overabundance of transportation service between Marysville and Chico. It therefore becomes apparent that a choice must be made from among these applicants.

Sacramento Northern Railway and its predecessors have performed electric rail passenger service through the communities from Sacramento to Chico since 1907, and have adjusted their service from time to time. Through the recent "depression" period the service was materially reduced on account of declining travel. This travel, however, is now on the increase and Sacramento Northern Railway could, without getting this Commission's authority, increase its rail service. It has, however, elected to install motor bus service between Sacramento and Chico via Oroville in lieu of augmenting its rail service mainly on the basis that motor bus operation can give adequate service at a much lesser cost than rail operation.

That part of the route between Marysville and Oroville is served at present only by Sacramento Northern Railway as there are no other carriers in that field. Between Marysville and Sacramento the company routes its proposed busses over county highways approximately paralleling its rail line. The only competitor in this field is California-Nevada Stages, Inc., which operates between Sacramento and Marysville via both Roseville and the Garden Highway. The Roseville route follows U. S. Highway 99-E through Lincoln and Wheatland, and the Garden Highway in general follows the east bank of the Sacramento River. The proposed route of Sacramento Northern Railway is approximately midway between the two routes of California-Nevada Stages, Inc.

The contention is made that the Sacramento Northern Railway

has not corporate authority or power to conduct bus operations. On the face of this record we cannot say that it has not such power. Furthermore, it has operated an auto-stage service between Walnut Creek and Diablo in Contra Costa County since January 1, 1929, when it acquired the properties of the San Francisco-Sacramento Railroad pursuant to authority granted by this Commission, (In re San Francisco-Sacramento Railroad, 32 C.R.C. 353) and the Interstate Commerce Commission (Acquisition by Sacramento-Northern Railway, 145 I.C.C. 533).

California-Nevada Stages, Inc., proposes to extend its existing service north to Chico and through the intervening communities, and would be in direct competition with the passenger service of Sacramento Northern Railway. The proposal of the California-Nevada Stages, Inc., coupled with the service of Sacramento Northern Railway between Marysville and Chico, would, without question, over-service this area. The community could not support at this time this amount of service and neither carrier would be operating at a profit. We are mindful of the fact that California-Nevada Stages, Inc., proposes to traverse highways other than those proposed to be used by the Sacramento Northern Railway and will also use the Sacramento Northern route north of Marysville.

The establishment of the service proposed by California-Nevada Stages, Inc., would provide six local round trips daily between Durham and Chico and four round trips between these points by through busses, in addition to the three schedules each way by Sacramento Northern Railway, or a total of thirteen round trips daily between these two points. In the event all proposals herein involved were authorized, there would result fifteen round trips daily between these two points. It is inconceivable that enough traffic could be developed to justify such a large amount of service between these two points.

A considerable portion of the record was devoted to the competitive features of that part of Sacramento Northern Railway's proposal to operate busses between Marysville and Sacramento. It is a fact that competition now exists between these two points and would continue to exist after placing in operation the proposal of Sacramento Northern Railway. It does not appear, however, that this competition exists for points intermediate between Marysville and Sacramento as the routes are well separated from each other except when entering or leaving both Marysville and Sacramento. The record clearly shows that the existing operation of Sacramento Northern Railway and California-Nevada Stages, Inc., gives reasonable and convenient service between Marysville-Yuba City on the one hand and Sacramento on the other, and that public convenience and necessity do not require additional service at the present time.

It was urged that Section 50-1/4 of the Public Utilities Act should be applied as a determining factor in considering these proceedings, particularly with respect to that part of the application of Sacramento Northern Railway involving the territory between Marysville and Sacramento.

Both Sacramento Northern Railway and California-Nevada Stages, Inc., have operated between these points for many years, Sacramento Northern Railway employing electric interurban trains and California-Nevada Stages, Inc., employing motor busses. Sacramento Northern Railway is seeking to augment its rail service with a motor bus service. Section 50-1/4 of the Public Utilities Act applies particularly to "passenger stage corporations," which are defined in Section 2-1/4(b) of the Public Utilities Act, while the Sacramento Northern Railway is a "railroad corporation," as defined in Section 2(j) of said Act although it operates motor busses as well as interurban electric passenger trains. There are only two

points covered by the Sacramento Northern Railway's application which are served by the California-Nevada Stages, viz., Sacramento and Marysville. Moreover, the route to be traversed by the Sacramento Northern is through an area not touched by either of the routes now used by the California-Nevada Stages between Sacramento and Marysville.

In view of the fact that Sacramento Northern Railway is not authorized herein to serve between Sacramento and Marysville-Yuba City, which points are now being served by California-Nevada Stages, Inc., the question raised relative to Section 50-1/4 is no longer material and need not be further considered.

The proposal of the Pacific Greyhound Lines, Inc., would be in direct competition with existing carriers if the company were granted local rights between Chico and Roseville. It would appear that the greatest value of this route would be to relieve the schedules operating along the west side of Sacramento Valley (U. S. 99-W) of through passengers and make better use of the interstate schedule now operating over the proposed route.

It appears reasonable that Pacific Greyhound Lines, Inc., should be permitted to acquire the rights of C. D. Chamberlain and thereby enable Pacific Greyhound Lines, Inc. to revive and reestablish passenger service between Red Bluff and Chico and intermediate points in due course.

After a review of the record, it appears that the following determinations should be made:

1. Application No. 19882 should be granted, subject to the added restriction that no passengers shall be carried locally between Marysville-Yuba City on the one hand and Sacramento on the other.
2. Application No. 19954 should be denied.
3. Application No. 20369 should be denied.
4. Application No. 20425 should be granted.
5. Pacific Greyhound Lines, Inc., (Application No. 19983), should be granted authority to operate an intrastate service between Red Bluff and Roseville, excluding the right to handle passengers locally between Chico and Roseville and intermediate points.

In granting the application of Sacramento Northern Railway and denying the application of California-Nevada Stages, Inc., it is to be understood that Sacramento Northern Railway must be ever mindful that it is in duty bound to maintain an adequate service and use its utmost endeavors to perform a safe, expeditious, comfortable and adequate service which will reasonably meet the demands of the travelling public.

Sacramento Northern Railway and Pacific Greyhound Lines, Inc., are 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.

The following form of Order is recommended:

O R D E R

Public hearings having been held, briefs having been filed and the matter having been duly submitted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

HEREBY DECLARES that public convenience and necessity require the operation by Sacramento Northern Railway, a corporation, of an automotive passenger stage service for the transportation of passengers, baggage and express between and serving the following named termini and all intermediate points, described as follows:

Commencing from the "M" Street Bridge in Sacramento, along Front Street to "I" Street, "I" Street to 11th Street, thence to Union Station, along 12th Street, north to American River Bridge and Del Paso Boulevard, thence on Del Paso Boulevard northeast to Rio Linda Boulevard, along Rio Linda Boulevard north and west to Del Paso, thence westerly on Grand Avenue to crossing S.N. tracks at Del Paso Station, thence northerly on Rio Linda Boulevard to Robla, thence northerly and westerly on Rio Linda Boulevard to Rio Linda, continuing north on Elverta Boulevard to Elverta, thence west and north on county road to Riego Station, thence west on Riego Road and north on Marysville Road to Pleasant Grove; thence west on County Road to Sacramento Northern Railway; thence north on Pacific Avenue to Trowbridge; thence continuing north on Pacific Avenue to Rio Oso Road; west on Rio Oso Road to Rio Oso Station; continue westerly on Rio Oso Road over Bear River Bridge to Feather River Boulevard; northerly on Feather River Boulevard to Broadway Avenue (Arboga); continue north on Feather River Boulevard, crossing Sacramento Northern at Alicia Station to Garden Avenue; west on Garden Avenue to "D" Street Bridge over Yuba River; north on D Street, Marysville, to Second Street, west on Second Street to Marysville Station at Second and "E" Streets, thence north on "E" Street to Fifth Street, west on Fifth Street, crossing over Feather River to Yuba City station, thence north on Plumas Street and Highway U.S. 99E to Lomo; continuing on Highway U.S. 99E to Live Oak, thence continuing north on Highway U.S. 99E to Sycamore Street, west on Sycamore Street, to Kentucky Street, north on Kentucky Street to Hazel Street, east on Hazel Street to Virginia Street, Gridley, thence south on Virginia Street to Sycamore Street, east on Sycamore Street to Highway U.S. 99E, south on Highway U.S. 99E to County Road, east on County Road to East Gridley station, thence continuing east on County Road crossing Feather River to Robinson's corner and District #10 Road; thence north on District #10 Road to County Road, east on County Road to Palermo; thence north on County Road to Baggetts; thence continuing north on County Road and Myers Street to Oroville Station; thence north on Myers Street to Montgomery Street; east on Montgomery to Bridge Street; thence north and west on Bridge Street and County Road to junction with Magalia Road; thence continuing northwest on County Road to junction with Durham Road; thence west on Durham Road to Durham Station and Highway U.S. 99E; thence north on Highway U.S. 99E through Savona and Speedway to Park Avenue, thence west on Park Avenue to Chico Station.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such service is hereby granted to the Sacramento Northern Railway, subject to the following conditions:

- (1) No passengers, baggage or express shall be transported locally between Sacramento and Rio Linda and intermediate points.
- (2) No passengers, baggage or express shall be transported between Marysville-Yuba City on the one hand and Sacramento on the other.
- (3) Applicant shall file written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
- (4) Applicant shall commence the service herein authorized within a period of not to exceed thirty (30) days from the date hereof, and shall file in triplicate and concurrently make effective, on not less than ten (10) 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 shown in Exhibit "A" attached to Amended Application No. 19882 in so far as they conform to the certificate herein granted, or rates and rules satisfactory to the Commission.
- (5) 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, substantially in accordance with Exhibit "B" attached to Amended Application No. 19882, and in a form satisfactory to the Commission.
- (6) 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 obtained.
- (7) No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant under a contract or agreement on a basis satisfactory to the Commission.

IT IS HEREBY FURTHER ORDERED that Application No. 19954 be and the same is hereby denied.

IT IS HEREBY FURTHER ORDERED that Application No. 20369 be and the same is hereby denied.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY FURTHER DECLARES that public convenience and necessity require the operation by Pacific Greyhound Lines, Inc. of an automotive passenger stage service between and serving the following named termini as an extension and enlargement of applicant's existing rights and to be consolidated therewith:

Between Roseville and Red Bluff via:

1. U. S. 99E (State Route No. 3) between Roseville and Gridley through Lincoln, Sheridan, Wheatland, Marysville, Yuba City and Live Oak.
2. Biggs and Gridley Road between Gridley and Biggs.
3. Biggs-Princeton Highway between Biggs and Junction of Biggs-Princeton Highway and Riceton Highway.
4. Riceton Highway between Junction of Biggs-Princeton Highway and Riceton Highway, and Junction of Riceton Highway and State Route No. 45, through Riceton.
5. State Route No. 45 between Junction of Riceton Highway and State Route No. 45 and Junction of State Route No. 45 and Richvale South Highway.
6. Richvale South Highway between Junction of State Route No. 45 and Richvale South Highway, and Richvale.
7. U. S. 99E (State Route No. 3) between Richvale and Red Bluff through Nelson, Durham, Chico, Vina Junction, with optional service to and from Vina according to traffic demands, Los Molinos, and Dairyville.
8. Or as an optional route, between Los Molinos and Red Bluff.
 - a. Main county road between Los Molinos and Proberta through Tehama and Gerber.
 - b. U. S. 99W (State Route No. 7) between Proberta and Red Bluff.

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity for such service is hereby granted to Pacific Greyhound Lines, Inc., subject, however, to the following conditions:

- (1) No passengers, baggage or express shall be transported locally between Sacramento and Chico and intermediate points.
- (2) No passengers, baggage or express shall be transported between Sacramento, Oakland, and/or San Francisco on the one hand, and Chico on the other, by way of Red Bluff and/or Proberta.
- (3) Applicant shall file written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
- (4) Applicant shall commence the service herein authorized within a period of not to exceed thirty (30) days from the date hereof, and shall file in triplicate and concurrently make effective, on not less than ten (10) 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 shown in the exhibit, as amended, attached to Application No. 20369 in so far as they conform to the certificate herein granted, or rates and rules satisfactory to the Commission.
- (5) 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.
- (6) The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned, unless the written consent of the Commission to such discontinuance, sale, lease, transfer or assignment has first been obtained.
- (7) No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant under a contract or agreement on a basis satisfactory to the Commission.
- (8) No single package of express may be accepted for transportation which exceeds one hundred (100)

(8) Cont'd

pounds in weight, and all express is to be transported on passenger vehicles only, except the limitation as to package weight and vehicle of transportation shall not apply to:

- a. Shipments transported for or through the agency of Railway Express Agency, Inc.
- b. Milk and cream and empty containers of such commodities when being transported to or from a rail junction point in connection with rail transportation thereof.

IT IS HEREBY FURTHER ORDERED that Pacific Greyhound Lines, Inc., is hereby authorized to purchase and C. D. Chamberlain is hereby authorized to sell those certain operative rights between Red Bluff and Chico, as authorized in our Decision No. 26661, dated December 18, 1953, in Application No. 19231, and Pacific Greyhound Lines, Inc., is authorized to consolidate said operative rights herein authorized to be transferred with remainder of applicant's system, subject, however, to the following conditions:

- (1) No through service shall be performed between Sacramento and/or San Francisco or Oakland on the one hand and Chico on the other hand, via Red Bluff or Proberta.
- (2) No passengers, baggage or express shall be transported between Sacramento and/or San Francisco or Oakland on the one hand and Chico on the other hand, via Red Bluff or Proberta.
- (3) The consideration to be paid for the property herein authorized to be transferred shall never be urged before this Commission or any other rate fixing body as a measure of value of said property for rate fixing, or any purpose other than the transfer herein authorized.
- (4) The suspension of service heretofore granted C. D. Chamberlain by Decision No. 28302 in Application No. 20176 will become cancelled upon the date hereof.
- (5) Applicant C. D. Chamberlain shall, within twenty (20) days after the effective date of this Order, unite with applicant Pacific Greyhound Lines, Inc., in common supplement to the tariffs on file with

(5) (Cont'd)

the Commission, covering service given under the certificate herein authorized to be transferred, and applicant C. D. Chamberlain withdrawing and applicant Pacific Greyhound Lines, Inc., accepting and establishing such tariffs and all effective supplements thereto.

- (6) Applicant C. D. Chamberlain shall, within twenty (20) days after the effective date of this Order, withdraw all time schedules filed in his name with this Commission, and applicant Pacific Greyhound Lines, Inc., shall, within twenty (20) days after the effective date of this Order, file, in duplicate, in its own name, time schedules covering service heretofore given by applicant C. D. Chamberlain, which time schedules shall be identical with the time schedules now on file with the Commission in the name of applicant C. D. Chamberlain, or time schedules satisfactory to the Commission.
- (7) The authority herein granted to sell and transfer the rights and/or property shall lapse and become void if the parties hereto shall not have complied with all of the conditions within the periods of time fixed herein, unless, for good cause shown, the time shall be extended by further order of the Commission.

The route of the service herein transferred is described as follows:

Between Red Bluff and Chico via the main highway through Proberta, Gerber and Tehama to Los Molinos; or, via the main highway through Dairyville to Los Molinos; thence via the main highway through Vina Junction to Chico with optional service to and from Vina according to traffic demands.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

The effective date of this Order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 23rd day of November, 1936.

M. B. Harris

W. J. Lewis

Frederick R. Adams
Commissioners.