

Decision No. 23384

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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 Fowler
and Tulare via Hanford and Corcoran.)

Application No. 20761.

H. C. Lucas, for Applicant.

T. S. Haworth, for Orange Belt Stages, Inc.,
Interested Party.

E. T. Lucey, E. R. McNally and Wm. G.
Shields, for The Atchison, Topeka &
Santa Fe Railway Company, Interested
Party.

BY THE COMMISSION:

O P I N I O N

By its amended application in this matter the Pacific Greyhound Lines, Inc., a corporation, seeks a certificate of public convenience and necessity authorizing the operation of an automotive passenger stage service for the transportation of passengers, baggage and express between Fowler and Tulare and intermediate points, via Laton, Hanford, Corcoran and Waukena, as a part of and to be consolidated with the operative rights previously granted by Decision No. 23244 and supplementary decisions. No protest was voiced to the granting of this application, the carriers in the field, The Atchison, Topeka & Santa Fe Railway Company and Orange Belt Stages, Inc., appearing as interested parties only.

A public hearing was had before Examiner Austin at Hanford on October 19, 1936, when evidence was offered, the matter was submitted and it is now ready for decision.

At present applicant's main line service is conducted between Fresno and Tulare and points south, via Fowler, Selma, Kingsburg and Visalia Airport. East of this route it operates a service between Selma and Tulare, via Parlier, Reedley, Dinuba and Visalia, a branch from the latter point extending west to Visalia Airport. The Orange Belt Stages, Inc., operates a passenger stage service between Visalia Airport and Hanford, affording a connecting link between Hanford and applicant's system. There is no stage service between Corcoran, and Tulare and Hanford, respectively.

West of applicant's main line, and paralleling the route proposed herein, the main line of The Atchison, Topeka & Santa Fe Railway Company passes through Fresno, Fowler, Laton, Hanford and Corcoran, from which point a branch diverges to the east, extending to Fresno through Tulare and Visalia but not serving Hanford. The service formerly operated by applicant between Fowler and Hanford via Laton was abandoned during the depression as part of its policy of general retrenchment. (Decision No. 25327, in Application No. 18234).

Those now desiring to travel by stage between Hanford and Fresno are obliged to change at Visalia Airport from the buses of Orange Belt Stages, Inc., to those of the applicant. There is now no stage service between Corcoran and Fresno.

Applicant called in its behalf its Superintendent of Transportation who described at length the proposed service, and it also produced twelve public witnesses comprising merchants,

business men and representatives of chambers of commerce residing at or having business interests in Corcoran, Fresno, Laton and Hanford. In addition, the testimony of another witness was included in the record by stipulation.

From the showing made it appears that these communities, though having a substantial population,⁽¹⁾ are obliged to depend for their local transportation needs upon the Santa Fe, which provides but two trains daily between Hanford and Fresno with an additional train serving Corcoran over the Visalia branch, upon the circuitous stage service via Visalia Airport, and upon the Southern Pacific Company, which daily operates one train each way between Fresno and Hanford, both of them in the afternoon.⁽²⁾ Both Fresno, and to a lesser degree Hanford, are shopping centers for these communities. Hanford is also the county seat of Kings County, in which are situated Laton and Corcoran. Because of this fact, there is constant travel between these points by jurors, witnesses and others having business with the county.

The evidence clearly indicates the inadequacy of the existing transportation service to meet the requirements of those desiring to travel between the points involved. Some of the witnesses, particularly those engaged in the hotel business and in other vocations where they come in contact with the public, related the frequent inquiries received, stating that on many

(1) The evidence indicates that the population of these communities is approximately as follows: Fresno 85,000, Hanford 7,000, Corcoran 2,400, Laton 650. During the cotton season the population of Corcoran and surrounding territory is increased to about 5,000 by the influx of agricultural workers.

(2) Southern Pacific Company did not appear or protest this application; prior to the hearing it advised that it had no objection to the application.

occasions they had carried in their own cars not only acquaintances and friends, but even strangers.

Others described the necessity for a more expeditious and frequent express service, principally for the handling of emergency automotive repair parts.

This application has the approbation of various public bodies. The Secretary of the Transportation Committee of the Fresno County Chamber of Commerce appeared and voiced the approval of applicant's proposal, previously expressed by that body. Similar action has been taken by the Tulare Chamber of Commerce and the Corcoran Chamber of Commerce, representatives of which appeared and testified.

From the record it appears that the service now operated jointly by Orange Belt Stages, Inc. and applicant between Hanford and Fresno is slow, unduly circuitous, and does not provide sufficient time between schedules for the transaction of any business at either terminal. Over this route the average time consumed in traveling between Hanford and Fresno is one hour and 34 minutes, with which may be contrasted the average operating time of 55 minutes over the proposed direct route.

In addition to the four daily schedules now provided in conjunction with Orange Belt Stages, Inc., via Visalia Airport, applicant will conduct four round-trips daily between Fresno and Hanford, two of which will be extended to Corcoran, and four round-trips daily will be operated between Corcoran and Tulare, connecting there with the main line service. The schedules are so arranged as to provide adequate time for the transaction of business at the terminals, and an opportunity to return the same

day. Convenient connections are provided with main line schedules, reaching points on applicant's system both north and south of Fresno, including San Francisco Bay points, Sacramento, Stockton, Bakersfield and Los Angeles.

It is apparent from the record there is a public need for the service proposed and, as we have stated, no one appeared in protest. Therefore the application will be granted.

Applicant 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 had in the above entitled proceeding, evidence having been received, the matter having been duly submitted, and the Commission now being fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA DOES HEREBY DECLARE that public convenience and necessity require the operation by applicant, Pacific Greyhound Lines, Inc., a corporation, as a passenger stage corporation, as defined in Section 2-1/4, Public Utilities Act, of an automotive passenger stage service for the transportation of passengers, baggage and express between Fowler and Tulare, and all intermediate points, by the

main highway, through Laton, Hanford and Corcoran, over and along the following route:

- (a) Between Fowler and Fresno-Kings County Line via Fowler Avenue;
- (b) Between Fresno-Kings County Line and Hanford via main county highway through Laton;
- (c) Between Hanford and Corcoran via State Route 135 through Guernsey, and
- (d) Between Corcoran and Tulare via State Route 134 through Waukena;

as an extension of and to be coordinated and consolidated with its present certificated operative rights heretofore granted to applicant by Decision No. 23244, in Application No. 16989 and decisions supplementary thereto.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same is, hereby granted to Pacific Greyhound Lines, Inc., subject to the following conditions:

- 1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
- 2. Applicant shall commence the service herein authorized within a period of not to exceed thirty (30) days from the effective date hereof, and shall file in triplicate and concurrently make effective on not less than ten (10) days' notice to the Railroad 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, or rates and rules 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 Railroad 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 obtained.

5. 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 Railroad Commission.

6. That there shall be accepted for shipment no single package of express weighing in excess of 100 pounds and all express shall be transported on passenger vehicle only, except as to property transported for or through the agency of Railway Express Agency, Inc., and milk and cream and empty containers of such commodities when being transported to or from a railroad junction point in connection with rail transportation, to which said restrictions as to weight and vehicles shall not apply.

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 21st day of December, 1936.

M. B. C. C. C.
Leon C. C. C.

Malcolm C. C.

COMMISSIONERS.