Decision No. <u>30053</u>

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of COASTSIDE TRANSPORT COMPANY, INC. to abandon its operating rights and discontinue its service in the transportation of passengers and their baggage between San Francisco end Santa Cruz; San Francisco end Half Moon Bay; Redwood City and Pescadero via La Honda and San Gregorio.

In the Matter of the Application of) PACIFIC GREYHOUND LINES for certificate) of public convenience and necessity to) operate automotive stage service for the) transportation of passengers, baggage) and express between San Francisco and) Davenport, Half Moon Bay Junction and) Half Moon Bay, Redwood City and Pescadero, and La Honda and San Gregorio, and) to consolidate same with remainder of) Applicant's system.

BY THE COMMISSION:

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The application of Coastside Transport Company, Inc. requests authority from this Commission to discontinue and abandon all its common carrier automotive service for the transportation of passengers and baggage between San Francisco and Santa Cruz, San Francisco and Half Moon Bay and Redwood City and Pescadero via La Honda and San Gregorio and for a further order revoking said operating rights in so far as they involve authority for the transportation of passengers and their baggage as heretofore acquired by decision No. 26601, dated December

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Application No. 21408

Application No. 21409

4, 1933, and decision No. 29792, dated May 24, 1937, on applications Nos. 19187 and 21197, respectively.

The application of Pacific Greyhound Lines requests an order of the Commission declaring that public convenience and necessity require the establishment and operation by it of a common carrier automotive service for the transportation of passengers, baggage and express between

1. San Francisco and Davenport over the following route:

- (a) Between Colma and Davenport via State Route 56 through Edgemar, Sharp Park, Half Moon Bay, San Gregorio and Pescadero;
- (b) Between San Francisco (junction of Skyline Boulevard and Alemany Boulevard) and Edgemar via New Shore Line Highway;

2. Between Half Moon Bay Junction (junction of State Routes 52 and 105) and Half Moon Bay via State Route 105:

3. Between Redwood City and Pescadero over the following routes:

- (a) Between Redwood City and Skylonda via State Route 107;
- (b) Between Skylonda and Le Honda via Le Honda Road;
- (c) Between La Honda and Pescadero via Pescadero Creek Road through San Mateo Memorial Park and Loma Mar;

4. Between La Honda and San Gregorio via San Gregorio Creek-Road;

as an extension and enlargement of its existing rights and to be consolidated therewith.

Applicant Pacific Greyhound Lines agrees that no passengers, baggage and express shall be transported locally between Redwood City and Woodside and intermediate points on the route between Redwood City and Pescadero and that the route between Colma and Edgemar is to be used as an optional route when traffic conditions warrant. In its application Coastside Transport Company, Inc. alleges that conditions and circumstances required that it concentrate its endeavors solely on the development and improvement of its existing freight and express service in this territory and to that end desires to withdraw from the passenger transportation field so that this objective may be accomplished.

By its application simultaneously filed, Pacific Greyhound Lines presents itself as willing and able to and desirous of establishing common carrier automotive service for the transportation of passengers, baggage and express which will encompass, under consolidation, all the routes proposed to be abandoned by Coastside Transport Company, Inc., thus continuing, to the public, an adequate and satisfactory common carrier passenger service in this territory.

These do not appear to be matters in which a public nearing is necessary and as it further appears that public convenience and necessity will be well served under the instant proposals the applications will be granted.

Pacific Greyhound Lines 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.

3.

ORDER

IT IS HEREBY ORDERED that Coastside Transport Company, Inc. be and it is hereby authorized to discontinue and abandon all of its common carrier automotive service for the transportation of passengers and baggage between San Francisco and Santa Cruz, San Francisco and Half Moon Bay and Redwood City and Pescadero via La Honda and San Gregorio, provided that said Coastside Transport Company, Inc. shall abandon service contemporaneously with the establishment of service by Pacific Greynound Lines, and within a period not to exceed thirty (30) days rrom the effective date hereof, and shall file and make effective on five (5) days' notice to the Commission and the public a supplement to its tariff and a time schedule showing cancellation of rates and service as herein authorized to be abandoned; and provided further that Coastside Transport, Inc. shall fully and completely discharge all transportation obligations incurred as the result of the sale of unused round-trip and commutation tickets, good for a limited period, by redemption of unused portions of such tickets on an average basis of the fares paid, and shall rurnish the Commission, within a period of not to exceed sixty (60) cays from date hereof an affidavit setting forth that all such refunds have been made. It is further understood that under the terms of this order Coastside Transport Company, Inc. has completely divested itself of any and all authority or right it may have possessed to operate as a passenger stage corporation as such is defined in section 50-1/4 of the Public Utilities Act, and that nenceforth Coastside Transport Company, Inc. shall operate under certificate solely as a highway common carrier as such is defined in sections 2-3/4 and 50-3/4 of the Public Utilities Act.

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IT IS HEREBY FURTHER ORDERED that decisions numbers 26601 and 29792 in so far as they have contained authority for the automotive carrier transportation of passengers and baggage be and they hereby are revoked and annulled.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA MEREBY DECLARES that public convenience and necessity require the establishment and operation by Pacific Greyhound Lines, a corporation, of an automotive service for the transportation of passengers, baggage and express as a common carrier between

1. San Francisco and Davenport over the following routes :

- (a) Between Colma and Davenport via State Route 56 through Edgemar, Sharp Park, Half Moon Bay, San Gregorio and Pescadero;
- (b) Between San Francisco (junction of Skyline Boulevard and Alemany Boulevard) and Edgemar via New Shore Line Highway;

2. Half Moon Bay Junction (junction State Routes 52 and 105) and Half Moon Bay via State Route 105;

3. Redwood City and Pescadero over the following routes:

- (a) Between Redwood City and Skylonda via State Route 107;
- (b) Between Skylonda and La Honda via La Honda Road;
- (c) Between La Honda and Pescadero via Pescadero Creck Road through San Mateo Memorial Park and Loma Mar;

4. Between La Honda and San Gregorio via San Gregorio Creek Road:

as an extension and enlargement of its existing rights and consolidated therewith subject to the following restrictions:

1. No pessengers, baggage, and express shall be transported, locally between Redwood City and Woodside and intermediate points on the route between Redwood City and Pescadero.

2. The route between Colma and Edgemar shall be used only as an optional route when traffic conditions warrant.

3. In the handling of express no single package shall be accepted for shipment that weighs in excess of one hundred (100) pounds, and all express must be transported on passenger vehicles only, except as to property transported for or through Railway Express Agency, Incorporated, and 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, to which said restrictions as to weight and vehicles shall not apply.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same is, hereby granted to Pacific Greyhound Lines, 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 shell commence the service herein authorized contemporaneously with the abandonment of service by Coastside Transport Company, Inc. and 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 five 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 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 loased by applicant under a contract of agreement on a basis satisfactory to the Railroad Commission. The effective date of this order shall be the date

hereof.

Dated at San Francisco, California, this $23^{\frac{1}{2}}$ day of <u>August</u>, 1937.

Commissioners