

Decision No. 38605

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of BEVERLY GIBSON for a certificate of public convenience and necessity to operate auto stage lines for the transportation of passengers, baggage and express, for compensation, and as a common carrier, between Port Chicago and San Francisco via Concord, Walnut Creek, Lafayette and Oakland, and intermediate points; etc.

Application No. 19969.

In the Matter of the Application of MANUEL CARDOZA for a certificate of public convenience and necessity to operate an auto stage line for the transportation of passengers and baggage, as a common carrier, between Rio Vista and Rio Vista Junction, etc.

Application No. 20264.

76 MAY 1940

Ware & Ware, by Allison Ware, for Applicant Beverly Gibson
Ernest I. Spiegl, for Applicant Manuel Cardoza
L. N. Bradshaw, for Sacramento Northern Railway.

BY THE COMMISSION:

ORDER DENYING PETITION FOR
MODIFICATION OF ORDER

Beverly Gibson, on October 4, 1937, filed his "Petition for Modification of Order," asking that Part III of Decision No. 29781 be modified in order that he (Beverly Gibson) be permitted to suspend the operation of all of the schedules and "on call" service now conducted by him between Rio Vista and Rio Vista Junction, Solano County, or that any service that may be required be ordered only upon the offering by the connecting carrier, Sacramento Northern Railway, of a bonus or guarantee adequate to cover any deficit in operating costs.

The Commission, on October 12, 1937, issued its "Order Reopening for Further Hearing" and reopened the above proceedings for the purpose of determining whether Part III of Order in Decision No. 29781 should be rescinded, altered, or amended in any particular. A public hearing was held before Examiner Hall in San Francisco, November 17, 1937.

Since July 20, 1937, Beverly Gibson has been operating a passenger service between Rio Vista and Rio Vista Junction, as required by Part III of the Order in Decision No. 29781, consisting of not less than five round trips on week days and six round trips on Sundays and holidays, with "on call" service to connect with all Sacramento Northern Railway passenger trains stopping at Rio Vista Junction not met by the above required service.

At the hearing Beverly Gibson showed that the revenue received for this service is materially less than the amount actually paid the driver, or approximately 10 per cent of the total cost of the service. During the period from July 20th to November 14th, 1937, fifteen round trips were made "on call" to handle passengers in connection with trains not met by the regular service.

On this showing Applicant Gibson requests that he be allowed to (1) suspend this service, (2) return to only an "on call" service between Rio Vista and Rio Vista Junction, or (3) receive a guarantee or subsidy from Sacramento Northern Railway equal to the losses hereafter to be incurred.

Sacramento Northern Railway did not offer to provide this subsidy or guarantee. It appears that this Commission cannot require one carrier to subsidize another.

It is clear from the record that certain of the trips produce practically no revenue and that the service as now performed is not compensatory and is a burden on Gibson's other operations. A part at least of these losses could be avoided by eliminating those trips which do not attract patronage, and such a request would be entertained by the Commission.

On the other hand, if the service is allowed to go on a suspense basis, the carrier maintains his right to re-enter the field when he sees fit and thus have the effect of precluding

another operator from the field who might be able to build up a remunerative service. A wholly "on call" service between the points involved would be to all practical purposes a suspended service.

It is our conclusion from the record that Applicant Gibson should petition this Commission for permission to either (1) reduce the number of schedules between Rio Vista and Rio Vista Junction, or (2) abandon this service rather than place it on an indefinite suspended, or "on call," basis, and that Part III of the Order in Decision No. 29781 should not be modified.


O R D E R

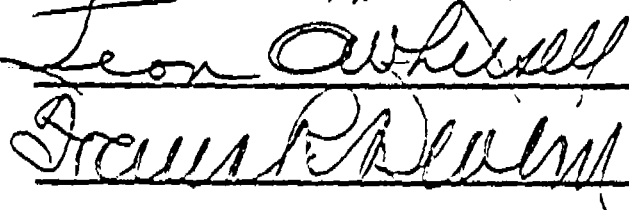
A public hearing having been held and the matter having been duly submitted,

IT IS HEREBY ORDERED that the "Petition for Modification of Order" hereinabove referred to is denied and Part III of the Order in Decision No. 29781 shall remain in full force and effect.


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

Dated at San Francisco, California, this 2nd day of February, 1938.



Leon A. Whittell


Frank R. Quinn



Commissioners