

Decision No. 21788.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of KEY SYSTEM,
a corporation, for a Certificate of Public Con-
venience and Necessity to operate a ferry boat)
service for the transportation of passengers) Application
for compensation between points upon the inland) No. 21788.
waters of the State of California.)

DONAHUE, RICHARDS & HAMLIN, by FRANK S. RICHARDS,
for the Applicant.

ANDREW J. CALLAGHER, in propria persona.

JOHN J. O'TOOLE, City Attorney, by DION R. HOLM, Assistant
City Attorney, for the City and County of San
Francisco.

HELLER, WHITE & McAULIFFE, by LLOYD W. DINKELSPIEL, for
the California Toll Bridge Authority.

H. C. LUCAS and JOHN A. MAATTA, for the Pacific Greyhound
Lines, interested party.

WALTER A. ROHDE, for San Francisco Chamber of Commerce.
HARRY A. BOLLES, for the Commandant of 12th Naval District.
T. G. DIFFERDING, for Oakland Chamber of Commerce.
I. S. SEATTUCK, for the Exposition Company.
JOHN D. PHILLIPS, City Attorney, and CHESTER FISK, Assistant
City Manager, for the City of Berkeley.
CARL SUNDBERG, for the Gray Line, Inc.

DEVLIN, COMMISSIONER:

INTERIM OPINION

By two applications filed on February 28, 1938, and
amended on March 31, 1938, Key System seeks authority to render
passenger transportation service, by ferry boats (Application No.
21788) and by motor coaches (Application No. 21789), to and from
Treasure Island, the site of the Golden Gate International Ex-
position. Public hearing was had at San Francisco on April 1, 1938.

While the two proposed services are somewhat related, they will be considered in separate decision, in accordance with the understanding had at the hearing.

The proposed ferry boat service is between the following points:

- (a) From the Ferry Building at the foot of Market Street in the City and County of San Francisco, to such points on Treasure Island, site of the Golden Gate International Exposition, as may be provided for the accommodation of such ferry service;
- (b) From the Key System pier terminal in the City of Oakland, County of Alameda, to such points on Treasure Island as may be provided for the accommodation of such service.

In the application it is alleged in part as follows:

"IV.

"That said ferry operations are proposed as a portion of the plan adopted and agreed upon by the Golden Gate International Exposition and Key System for the provision of transportation facilities to Treasure Island and the site of the Golden Gate International Exposition. That it is anticipated that said Exposition will attract large numbers of people desiring foot transportation to Treasure Island. That there are at the present time no transportation facilities to said island for the accommodation of such traffic, and that the proposed ferry service is the only convenient and practical method of providing such transportation facilities. That public convenience and necessity requires the granting of this application.

"V.

"That applicant requests a certificate, as aforesaid, to operate such service only for the time prior to and during the existence of the Golden Gate International Exposition. That no permanent operative rights are sought.

"VI.

"That your applicant has been advised by Southern Pacific Company that it has withdrawn from all participation in transportation service to said Exposition. That attached hereto, marked Exhibits "A" and "B," are copies of the correspondence between applicant and Southern Pacific Company evidencing a withdrawal by the latter company from said participation."

As amended at the hearing, this application proposes a round trip fare of 25 cents, both from the Ferry Building at San Francisco and from applicant's Oakland Pier terminal.⁽¹⁾ This fare, however, is offered by applicant only on an experimental basis and for a period of ninety days from the commencement of service. Should a certificate be granted, applicant contemplates that at the close of the experimental period it will ask the Commission to reconsider the rate question in the light of the actual operating experience. Applicant's testimony indicates that the operation will be inaugurated and conducted at an out-of-pocket loss during the so-called pre-Exposition period.

The record shows that approximately 1,000 workmen are now employed on Treasure Island and that such number will probably be increased in the near future. At present there is no public transportation to the island from either side of the bay. Passenger transportation is now available only by means of private automobiles via the San Francisco-Oakland Bay Bridge or private launches. Because of the fact that the existing demand for public transportation of workmen and others is greater from San Francisco than it is from the East Bay, applicant proposes to inaugurate ferry service from San Francisco immediately. For the present it is believed by applicant that those desiring transportation from the East Bay can be accommodated by the proposed motor coach service discussed in greater detail in the decision dealing with the companion motor coach application. However, applicant desires a certificate for ferry operation from the Oakland Pier terminal in order that it may inaugurate such service as soon as demanded by traffic requirements.

(1) The proposed fare does not include transportation on applicant's rail lines to or from its Oakland Pier terminal.

The Exposition is to open on February 18, 1939, and present arrangements provide that visitors may be admitted to the grounds prior to the date of the official opening. Applicant proposes to provide this pre-Exposition ferry service through the operation of a recently acquired boat identified as "Treasure Island." At the outset applicant expects that this boat will make but two trips on week-days from San Francisco, one in the morning and one in the evening, the schedules being arranged to accommodate workmen employed on the Island. If traffic requirements demand, the service may be augmented on Sundays or holidays through the operation of one or more of the other boats of applicant now employed in transbay service. After the Exposition is opened, it is contemplated that the entire Treasure Island ferry boat service will require eight boats, in order to meet peak load requirements. All of these boats, except the one designated as "Treasure Island," are to be obtained from transbay interurban service, as it is contemplated that interurban service will be changed from ferry operation to rail operation over the San Francisco-Oakland Bay Bridge during the latter part of 1938. However, applicant takes the position that if the rail operation over the bridge is not effected at least thirty days in advance of the opening of the Exposition (February 18, 1939), it does not hold itself out and will not be prepared to provide mass transportation to the "Golden Gate International Exposition," because applicant does not believe that it could otherwise secure the necessary boats at a reasonable cost.

The granting of this application was favored or not opposed by the following interested parties:

1. California Toll Bridge Authority, as evidenced by Resolution dated March 31, 1938. (Exhibit No. 1). The period considered from the date of the Resolution to December 31, 1939.

2. City of Oakland, as evidenced by Resolution No. 6238, dated March 29, 1938 (Exhibit No. 3).
3. Twelfth Naval District, as evidenced by letter under date of March 18, 1938, signed by A. J. Hepburn, Rear Admiral, U. S. Navy, (Exhibit No. 9).
4. Southern Pacific Company, as evidenced by letter dated March 19, 1938, signed by A. T. Mercier, General Manager. (Exhibit No. 5). Limited to the period of the existence of the Golden Gate International Exposition.

It is apparent from the record that there is a need for public passenger transportation to the site of the Golden Gate International Exposition from both San Francisco and the East Bay, and that applicant's proposal to provide ferry and motor coach service appears to meet this public requirement. The transportation problem in connection with the Exposition may be divided into three periods; first, the so-called pre-Exposition period, during which time transportation is required for workmen and others having business on Treasure Island, as well as visitors to the Exposition site prior to the official opening; second, the Exposition period proper, when mass transportation will be required; and third, a period following the official closing of the Exposition, during which time a lesser amount of public passenger transportation may be required for workmen and others in connection with the removal of exhibits, etc.

Under the circumstances disclosed by the record, in view of the limitation expressed in applicant's offer of service and the temporary nature of the rate proposed, it appears appropriate to grant a certificate for an experimental period of ninety days only. During such period applicant will be expected to keep an accurate record of the revenues and expenses resulting from the operation of this particular service and to render monthly reports thereof to the Commission. Thus, by the end of the experimental period, actual results of operation will be readily available for consideration in connection with the transportation problem created by the

Exposition. More definite information as to the probable date of inauguration of rail service over the Bridge should also be available at that time.

Shortly before the expiration of the ninety-day experimental period, or earlier if warranted, a further hearing will be had in this matter. Consideration will then be given to applicant's request for a certificate, as well as the question of the proper rate to be charged for the proposed service.

While the accompanying order authorizes ferry service from Oakland Pier terminal to the Island, it is understood that applicant will not inaugurate such service immediately. However, it may do so at any time during the experimental period if there is a sufficient demand therefor, provided that a tariff and time schedule are filed on not less than one day's notice.

INTERIM ORDER

A public hearing having been held in the above proceeding and good cause appearing,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by Key System of a ferry boat service for an experimental period of ninety (90) days for the transportation of passengers between and serving the following named termini, and along the following routes:

1. Between San Francisco (Foot of Market Street) and Treasure Island (Site of Golden Gate International Exposition).
2. Between the Oakland Pier terminal of Key System and said Treasure Island.

IT IS ORDERED that a certificate of public convenience and necessity therefor is hereby granted to the Key System for a period of ninety (90) days from the date of commencement of operation, subject to the following conditions:

- (1) Applicant shall file a written acceptance of the certificate herein granted within a period not to exceed fifteen (15) days from the date hereof.
- (2) Prior to the commencement of any of the service herein authorized, applicant shall file, in triplicate, and concurrently make effective on not less than one (1) day's notice to the Railroad Commission and the public, a tariff or tariffs, together with a time schedule or schedules, 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 filed in this proceeding, or rates, rules, and time schedules satisfactory to the Commission.

The authority herein granted shall become effective on the date hereof.

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.

Dated, San Francisco, California, April 11, 1938.

Matthewman
Leon A. Whittell
Francis R. Newlin
Raymond A. ...
Ray L. Riley
Commissioners