ORIGINAL

Decision No. 34864

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )
HOLLENBACK & SON for a certificate )
of public convenience and necessity )
to operate a passenger stage service, )
as a common carrier of passengers and )
baggage between Morena Resort, Campo )
and Tecate; between Morena Resort and )
Jacumba; and, between Campo, Morena )
Resort, Buckman Springs, Pine Valley, )
Alpine, El Cajon and San Diego.

Application No. 24231

- C. M. WALZ, for Applicant.
- H. C. LUCAS, H. D. RICHARDS, C. C. JENSEN and E. F. PARKS, by C. C. Jensen, for Pacific Greyhound Lines
- H. B. HALL, for Golden Eagle Stage Line, Protestant.
- J. L. HARLAN, for San Diego Electric Railway Company.
- E. L. McNAUGHTON, for San Diego & Arizona Eastern Railway, Interested Party.

BY THE COMMISSION:

## <u>opinion</u>

In this proceeding applicants seek authority to provide a common carrier passenger stage service for the transportation of passengers and baggage from the United States Cavalry camp at (1) Morena Lake to various points between Jacumba, on the east, and San Diego, on the west, all in San Diego County. This camp is

<sup>(1)</sup> For convenience, this camp will sometimes be referred to hereinafter as Morena.

now in the process of development. The plan is to increase the personnel from 400 to 1600 men. It is located approximately 50 miles east of San Diego and 5 miles north of the international boundary between the United States and Mexico. The proposed operation is to be in the nature of an on-call service subject to call at all hours and, for the most part, a round-trip service from Morena.

A public hearing was conducted in this matter before Examiner Hunter at San Diego, July 10, 1941, at which time the matter was taken under submission and it is now ready for decision.

The applicants are Carl H. Hollenback, of Campo, and his son, Calvin B. Hollenback, of El Cajon, San Diego County. Prior to April 17, 1941 applicants transported parties for compensation between Morena and the various points they now seek to serve under a certificate. The general plan of operation was for the party to start from Morena and, after visiting the point or points of interest, return to Morena. Upon reaching a point or points of interest, the driver of the car would wait at some appointed place until the party returned to be transported to some other location or return to Morena. Such a trip would not usually consume more than 24 hours. The record shows that applicants have transported and now desire to transport parties having their origin and destination at Morena to Campo, Tecate, Jacumba, Buckman Springs, Pine Valley, Descanso, Alpine, El Cajon and San Diego, all in San Diego County. In traveling between Morena and San Diego, it is proposed to travel over either of two highways, viz., U. S. Highway No. 80, via La Mesa and El Cajon, or State Highway No. 94, via Campo and Lemon Grove.

Applicants allege that, upon being advised that it was necessary to secure a certificate from this Commission to operate between Morena and San Diego, they forthwith discontinued the service on April 7, 1941, and filed the instant application on May 27, 1941.

The showing in this record consists of a statement from both applicants and their counsel, together with a letter (2) from Major Thomas L. Harrold. These statements were confined to the proposed plan of operation with very little information in the way of estimates dealing with revenue and expense incident thereto. Applicants propose to perform the service involved herein in touring cars and have available one eight-passenger Hudson sedan and one nine-passenger Chrysler sedan.

The granting of this application was opposed by:

- (1) Golden Eagle Stage Line, in so far as applicants propose to serve points along State Highway No. 94, between Morena and San Diego. This carrier now provides three round trips daily between Morena and San Diego along this route.
- (2) Pacific Greyhound Lines, in so far as applicants propose to serve points along U. S. Highway No. 80, between

TO WHOM IT MAY CONCERN:

There is a decided need for local transportation from the vicinity of my camp to the surrounding towns such as Campo, Jacumba, Pine Valley and Tecate.

At the present time there is a bus company running from this camp to San Diego, by way of Highway 94. There is no adequate transportation by way of Highway 80 or from this camp to Highway 80 at Buckman Springs.

(Signed) THOMAS L. HARROLD, Major, 11th. Cavalry Commanding.

HEADQUARTERS
SECOND SQUADRON, ELEVENTH CAVALRY
Campo, California
July 3, 1941

Jacumba and San Diego. This carrier now provides three roundtrip services daily between San Diego and El Centro via Jacumba.

(3) San Diego Electric Railway Company, in so far as applicant proposes to serve points west of El Cajon. This carrier provides the local street transportation service in and in the vicinity of the city of San Diego. El Cajon is within the area served by this company.

Counsel for applicants stipulated that they would revise their application so as to confine the operations to points along U. S. Highway No. 80 between Morena and El Cajon and along State Highway No. 94 between Morena and Tecate, with the further restriction that all traffic would have its origin or destination at Morena. This stipulation was agreeable to the Pacific Greyhound Lines but not acceptable to the Golden Eagle Stage Line. With such a restriction the San Diego Electric operation would not be affected. With the proposed stipulation, the applicants would be limited to operations from Morena to points within a radius of about 25 miles.

This record fails to show to what extent applicants' proposed service would be used if established. The only support to establish public convenience and necessity for the service rests with the letter from Major Harrold and a statement from applicants that they have had requests for such a service from men stationed at Morena. There is nothing in the record to indicate that the common carrier passenger service between Morena and San Diego along State Highway No. 94 is inadequate; in fact, the owner of the Golden Eagle Stage Line testified that if the proposed competition were established, even as restricted by applicant, it would be necessary to abandon his operations as the business has been conducted at an out-of-pocket loss since its establishment last year.

The Commission recognizes the need for public transportation to and from Morena, particularly over the week-ends.

Applicants, however, have failed to show that their proposed service meets this need or one which properly may be certificated; therefore, the application will be denied.

## ORDER

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,

IT IS ORDERED that Application No. 24231 be and the same hereby is denied.

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

of October 1941.