

ORIGINAL

Decision No. 36293

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of P. B. HACKLEY, JR., doing business as Mendocino Transit Company for a certificate of public convenience and necessity for the transportation of passengers, baggage and express between Fort Bragg and Willits and intermediate points exclusive of through service between terminals.

Application No. 25073

MCCUTCHEM, OLNEY, MANNON & GREENE, by F. W. MIELKE, for applicant.

A. T. NELSON, for California Western Railroad & Navigation Co., interested party.

HERBERT A. RUSK, for Coast Line Stages, interested party.

BY THE COMMISSION:

O P I N I O N

This is an application by P. B. Hackley, Jr., doing business as Mendocino Transit Company, for a certificate of public convenience and necessity for the transportation of passengers, baggage and express between Fort Bragg and Willits and intermediate points.

A public hearing was held before Examiner Cannon at Fort Bragg on November 18, 1942, and the matter was submitted.

Applicant and his predecessor in interest, Mendocino Transit Company, a corporation, have operated as a passenger stage company for the transportation of passengers and their baggage since June 28, 1941, between Fort Bragg and Santa Rosa and intermediate points, exclusive of local service between

Cloverdale and Santa Rosa and intermediate points, and exclusive (1)
of local service between Fort Bragg and Navarro River Junction
and intermediate points. (2) Noyo is such an intermediate point.

The proposal of applicant is to establish and operate a daily automotive service for the transportation of passengers, baggage and express between Fort Bragg and Willits and intermediate points, exclusive of through express service between the terminals.

The only present public carrier service between Fort Bragg and Willits is rail service rendered by California Western Railroad & Navigation Company. This service consists of two schedules each way daily. The average time required to make the trip either way is 2-1/4 hours.

The basis of applicant's request for a certificate authorizing the proposed service is the alleged inconvenience and inadequacy of existing service. The distance between Fort Bragg and Willits is approximately 37 miles.

Under the existing rail schedule, a resident of Fort Bragg, desiring to transact business in Willits, would be required to devote not less than two days to the trip. The same is true of a Willits resident desiring to transact business at Fort Bragg. The schedules are not arranged so as to permit a reasonable time for the transaction of business within one day. This fact appears from a study of the prevailing schedule of operation which follows:

(1) Decision No. 34293, in Application No. 23616.

(2) Decision No. 34835, in Application No. 23616.

10:20 AM 8:30 PM Lv. Ft. Bragg Ar. 6:00 AM 3:30 PM
 12:01 PM 11:00 PM Ar. Willits Lv. 3:00 AM 1:30 PM

Thus a passenger leaving Fort Bragg at 10:20 A.M. arrives in Willits at 12:01 P.M. and would be required to return either at 1:30 P.M. or wait for the 3:00 A.M. night train.

There is no express or freight service between points on the proposed route except that rendered by California Western Railroad & Navigation Company between Fort Bragg and Willits.

Applicant proposes 3 schedules each way daily as follows:

4:15 PM	11:15 AM	7:30 AM	Lv Ft. Bragg	Ar	10:45 AM	3:30 PM	9:30 PM
5:00 PM	12:00 M	8:15 AM	Lv Camp 20	Lv	10:00 AM	2:45 PM	8:45 PM
5:45 PM	12:45 PM	9:00 AM	Ar Willits	Lv	9:15 AM	2:00 PM	8:00 PM

These schedules connect at Willits with Pacific Greyhound Lines for Eureka and Ukiah and points beyond.

Camp 20 is an intermediate point on applicant's proposed route approximately half-way between Fort Bragg and Willits but not on the rail line. Its business is confined almost solely to the logging industry which is owned and controlled by the Caspar Lumber Company with its main plant located at Caspar, four miles south of Fort Bragg. The camp has a payroll of 75 employees with approximately 35 families residing in the community, representing a population of about 300.

Applicant proposes a one-way fare of \$1.50 between Fort Bragg and Willits and \$2.35 for the round-trip. The one-way fare between Willits and Camp 20 and between Camp 20 and Fort Bragg is 75 cents with a round-trip in each instance of \$1.35.

Proposed express rates range from a minimum of 25 cents to a

maximum of 70 cents on shipments weighing not to exceed 110 pounds. Equipment available for the proposed service is represented to be two 9-passenger station wagons and one 16-passenger pony cruiser.

Applicant testified at the hearing that in his opinion scarcely any traffic would be diverted from the rail line but would be developed from persons presently using their own cars. He submitted the following estimate (Exhibit No. 6) of operating expenses and revenue for the proposed service.

	Per Year	Per Day	Per Mile
Total Operating Expenses	\$10606.90	\$29.06	\$.1309
Revenue:			
Passengers	13205.70	36.18	.1630
Express	365.00	1.00	.0045
TOTAL REVENUE	13570.70	37.18	.1675
Indicated profit	2963.80	8.13	.0366

Applicant estimated the number of passengers he would carry per trip on the average at 4.5.

Several witnesses testified in support of the application. For the most part these were women whose husbands are employed in the logging business at Camp 20. All of these witnesses stated that their families would use the proposed service though to a limited extent. Few of them utilize the present rail service.

There was some testimony to the effect that mail service is infrequent. The post office serving the camp is at Caspar. The mail service for Camp 20 is not under contract but

(3) These estimates are computed on a basis of 222 bus miles per day, or 81,030 miles per year.

is transported in the company's trucks or in private vehicles, usually twice a week.

There remains the question of facilities provided for the movement of express shipments to and from Camp 20. The rail line carries express between the terminals only. Applicant's proposal is to supply express service between Fort Bragg and Willits and intermediate points exclusive of through service between such terminals. There is no evidence in the records to the effect that the express traffic is anything more than casual.

The granting of the application is supported by the Mendocino County Board of Supervisors, the City Councils of Willits and Fort Bragg and by the Fort Bragg Chamber of Commerce. California Western Railroad & Navigation Company did not protest the granting of the application.

In reviewing this record we are confronted with a situation in which an applicant desires to establish a passenger and express service in a sparsely settled area in which there exists a public transportation service that may be described as rather meager. The community is typical of many outlying districts where residents and those engaged in business depend mainly on private transportation.

In this case applicant does not anticipate that any appreciable traffic will be diverted from the rail line. It must come from individuals operating their own automobiles and this is more or less speculative.

While the evidence in the record is not very convincing, nevertheless such testimony as was offered tended to

favor the granting of the application. There was no protest from any source.

The financial success of the proposed operation will depend primarily upon the volume of traffic carried. If applicant's estimates are borne out by actual operating experience it is possible that the service can be carried on at a profit. On the other hand, if a materially lesser volume of traffic is transported the operation will not be profitable. After all they are only estimates and must receive consideration as such. It has not been the policy of the Commission to withhold authorization simply because of the probability that for some time at least the project will not be remunerative. However, it is not the duty of the Commission to insist upon proof of the final success of an enterprise before granting permission for its launching. Certificates are granted or withheld on the basis of whether the interest of the general public will be served and not upon the private benefit or advantage that may accrue to a carrier.

Upon this record it appears reasonable and proper to grant the application while at the same time it should be understood that we make no pronouncement as to the probable financial success of the operation. The application will be granted.

(4) Empire Water Co. 3 C.R. C. 673,674.

(5) Motor Transit Company 21 C.R.C. 509,513.

O R D E R

Application having been made in the above entitled matter, a public hearing having been held and the Commission being duly advised, and hereby finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is hereby granted to P. B. Hackley, Jr., doing business as Mendocino Transit Company, authorizing the establishment and operation of service as a passenger stage corporation, as defined in section 24 of the Public Utilities Act, for the transportation of passengers, baggage and shipments of express weighing not to exceed one hundred ten (110) pounds each on passenger-carrying vehicles, between Fort Bragg and Willits and intermediate points, exclusive of through express service between terminals, subject to the following condition and restriction:

1. P. B. Hackley, Jr., his successors or assigns, may never claim before this Commission or any court or other public body, a value, for any purpose, for the certificate herein granted in excess of the actual cost incurred by him in securing said operative authority.
2. Applicant is to render no local service between Fort Bragg and Noyo and intermediate points.

(2) That in the operation of said passenger stage service P. B. Hackely, Jr. shall comply with and observe the following service regulations:

1. File a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the effective date hereof.

- 2. Comply with the provisions of General Orders Nos. 79 and 80 and Part IV of General Order No. 93-A, by filing, in triplicate, and concurrently making effective, tariffs and time schedules satisfactory to the Commission within sixty (60) days from the effective date hereof and on not less than five (5) days' notice to the Commission and the public.
- 3. Conduct said passenger stage service over the most appropriate route or routes, subject to the authority of the Railroad Commission to change or modify them at any time by further order.

The effective date of this order shall be the date hereof.

Dated at Sacramento, California, this 13th day of April, 1948.

Francis L. Havenner
W. B. K. D.
Justin J. Gaeumer
Robert K. Kach
Francis L. Havenner
 COMMISSIONERS