

Decision No. 36595

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
R. F. MARTIN for a certificate of)
public convenience and necessity to)
operate automotive stage service for)
the transportation of passengers in)
the territory in and surrounding)
Redwood City, California, and San)
Carlos, California.)

ORIGINAL

Application No. 25511

(1)
NORMAN S. MENIFEE, for applicant.

PAUL A. McCARTHY, City Attorney for Redwood City,
interested party.

EARL BAGBY, for Pacific Greyhound Lines, protestant.

BY THE COMMISSION:

O P I N I O N

R. F. Martin, now conducting a passenger stage service wholly within Redwood City, requests a certificate authorizing passenger stage service between Redwood City and San Carlos and intermediate points, and in Redwood City. The proposed route is through the White Oaks residential district of San Carlos. This route lies some distance westerly from U. S. Highway No. 101 which is the main highway between Redwood City and San Carlos. He also requests a unification of the proposed service with his existing service, now wholly within Redwood City and not heretofore regulated by this Commission, under a single certificate. A public hearing in this

(1) After submission of this proceeding Harry A. Encell was substituted for Norman S. Menifee as attorney for applicant.

(2) Subsequent to the submission of this matter on March 4, 1943, the Commission, by its Decision No. 36420, rendered June 8, 1943, authorized Martin to acquire from Pearl M. Vandervort an operative right between Redwood City and Palo Alto.

matter was had before Examiner Paul, March 4, 1943, at the conclusion of which the matter was submitted.

The following fare structure is proposed:

Base fare	10 cents
Children between ages 5 and 12	5 cents
Commutation ticket - 14 rides in 15 days	\$1.00

The commutation ticket would be valid between all points lying west of Bayshore Highway. The distance between the terminals at Redwood City and San Carlos is stated to be approximately 4.1 miles.

Applicant now owns the following equipment which would be used to provide the proposed service between Redwood City and San Carlos in addition to the present service within Redwood City:

- 1 - 1938 Diamond T 27 passenger bus
- 1 - 1941 International K-4 12 passenger bus
- 1 - 1941 International K-4 12 passenger bus
- 1 - 1940 804 White 29 passenger bus
- 1 - 1938 Dodge-Chevrolet 21 passenger bus

Applicant proposes to operate 21 round-trip schedules daily except Sundays and holidays. Twelve schedules would operate on Sundays and holidays.

The proposed route of operations between Redwood City and San Carlos and intermediate points is as follows:

Beginning at Southern Pacific Depot, Redwood City, thence over and along Perry Street, Brewster Street, Birch Street, Whipple Avenue, Oakdale Street, Finger Avenue, Stratford Lane, Eaton Avenue, Ruby Avenue, St. Francis Way, Cedar Street and San Carlos Avenue to Southern Pacific Depot at San Carlos.

Applicant operates over the two following routes in conducting his present operation within Redwood City:

Route A - Beginning at the intersection of Main Street and Middlefield Road, thence along Main Street, Broadway, Brewster Street, Alameda Street, Whipple Avenue, Duane Street, Broadway and Chestnut Street to the Portland Cement plant.

Route B - Beginning at the intersection of Broadway and El Camino Real, thence along El Camino Real, Jefferson Avenue, King Street, James Avenue, Ruby Street, Jefferson Avenue, Valota Road, Roosevelt Avenue, Ebener Street, Oak Avenue, El Camino Real, Jefferson Avenue and Middlefield Road to the S. & W. Company plant. Beginning at the intersection of Middlefield Road and Chestnut Street, thence along Chestnut Street to the Portland Cement plant.

In support of the authority sought applicant testified that he has received numerous requests to establish the proposed service between Redwood City and San Carlos. One of the principal requests was made by the White Oaks Improvement Club. The membership of this club is composed of residents in the general vicinity of Cedar Street-St. Francis Way district of San Carlos which is generally referred to as the White Oaks District. Other witnesses in support of the application included the mayor of San Carlos and the director of the White Oaks Improvement Club. The substance of this testimony was to the effect that the White Oaks area of San Carlos is now without public transportation. It was stated that the approximate population of this area is 1,500 persons and the nearest available shopping districts are the main business centers of San Carlos and Redwood City which are considerably beyond a reasonable walking distance. It was also asserted that many of these residents are regular commuters to and from San Francisco and require public transportation between their homes and the Southern Pacific or Pacific Greyhound depots at San Carlos or Redwood City in order to avail themselves of train or passenger stage facilities. It was stated that the distance between these depots and the approximate center of population of the White Oaks district of San Carlos varies from about $1\frac{1}{2}$ to 2 miles. The most populous portion

of this district was shown to be from about 3/4 of a mile to more than one mile westerly from U. S. Highway No. 101. Some of the residents of this district are employed at defense plants at Redwood City and other places. The service would also be used by those desiring to travel to Redwood City or San Carlos on shopping, business or pleasure trips.

Pacific Greyhound Lines, hereinafter referred to as Greyhound, was the only protestant. It opposed the application only in so far as it proposes a through operation between points in Redwood City and San Carlos which are within one-half mile of the "business districts" of these cities. Greyhound stated that by "business district" it meant its depots. It did not oppose the granting of a certificate between points which are intermediate to the termini, or between said intermediate points, on the one hand, and the termini, on the other hand.

Greyhound's operation in this territory is between Redwood City and San Carlos over U. S. Highway No. 101. This route, as above stated, is from about 3/4 of a mile to more than one mile easterly of the White Oaks area of San Carlos which applicant is proposing to serve. There is no question as to the adequacy of service of Greyhound between Redwood City and San Carlos over the route used by it. During peak periods of travel schedules are run on approximately a 15 minute headway between these points. Greyhound's one-way and round-trip fares between Redwood City and San Carlos are 10 cents and 15 cents, respectively. A commutation fare is also in effect.

A review of the evidence adduced in this proceeding shows that there has developed over a period of years a residential area with a considerable population, known as the White Oaks district, in the southwesterly portion of San Carlos and westerly of U. S.

Highway No. 101. Most of the families of this area have one or more members who are employed or engaged in business at distant points many of whom desire public transportation. Other members of the family find it necessary to travel to nearby business centers. It was shown that many of these people would avail themselves of public transportation if provided. It appears from this record that a need for public transportation is brought about to a great extent by the rationing of gasoline and conservation of rubber and lack of automotive equipment. The protestant herein contends that the district involved is within a reasonable walking distance to and from its service along U. S. Highway No. 101.

From a careful review of the evidence in this record it is our opinion that such evidence is sufficient to support a finding that there is a public need for applicant's proposed service. We do not believe there is sufficient justification, from the standpoint of public interest, to impose the restriction on applicant's operation between his Redwood City and San Carlos terminals as suggested by protestant. As heretofore stated, the minimum one way fare of applicant and protestant is 10 cents between these points. The proposed operation of applicant is over a circuitous route while that of protestant is over a direct route between these points and it would appear that protestant's contention that traffic would be diverted from it to applicant is unjustified. We hereby find that public convenience and necessity require the establishment and operation of the proposed service by applicant.

R. F. Martin is placed upon notice that "operative rights" as such do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. 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.

O R D E R

A public hearing having been held, the matter having been duly heard and submitted, and it being found that public convenience and necessity so require,

IT IS ORDERED that a certificate of public convenience and necessity is hereby granted to R. F. Martin authorizing the establishment and operation of service as a passenger stage corporation, as defined by Section 24, Public Utilities Act, for the transportation of passengers between Redwood City and San Carlos and intermediate points, and in Redwood City, subject to the following condition:

The authority herein granted is subject to the provisions of Section 52(b) of the Public Utilities Act and further to the condition that R. F. Martin, his successors or assigns, shall never claim before this Commission, or any court or other public body, a value for said operative right or claim as the cost thereof, an amount in excess of that paid to the State as the consideration for such right.

IT IS FURTHER ORDERED that in providing service pursuant to the foregoing certificate R. F. Martin shall comply with and observe the following service regulations:

1. Applicant shall 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. Applicant shall comply with the provisions of General Order No. 79 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. Subject to the authority of this Commission to change or modify them at any time by further order, conduct said passenger stage operations over and along the following routes:

Route A - Beginning at the intersection of Main Street and Middlefield Road, thence along Main Street, Broadway, Brewster Street, Alameda Street, Whipple Avenue, Duane Street, Broadway and Chestnut Street to the Portland Cement plant.

Route B - Beginning at the intersection of Broadway and El Camino Real, thence along El Camino Real, Jefferson Avenue, King Street, James Avenue, Ruby Street, Jefferson Avenue, Valota Road, Roosevelt Avenue, Ebener Street, Oak Avenue, El Camino Real, Jefferson Avenue and Middlefield Road to the S. & W Company plant. Beginning at the intersection of Middlefield Road and Chestnut Street, thence along Chestnut Street to the Portland Cement plant.

Route C - Beginning at Southern Pacific Depot, Redwood City, thence over and along Perry Street, Brewster Street, Birch Street, Whipple Avenue, Oakdale Street, Finger Avenue, Stratford Lane, Eaton Avenue, Ruby Avenue, St. Francis Way, Cedar Street and San Carlos Avenue to Southern Pacific Depot at San Carlos.

- 4. Applicant may turn his motor vehicles at termini or intermediate points either in the intersection of the street or by operating around a block, contiguous to such intersection, in either direction.

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

Dated at San Francisco, California, this 17th day of September, 1943.

Francis P. Havenner
M. G. Kelly
Justin J. Queney
Richard D. Asher
Chas. M. Wilson
 COMMISSIONERS