

ORIGINAL

Decision No. 37086

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PACIFIC)	
GREYHOUND LINES for a certificate of public)	
convenience and necessity authorizing the)	Application
transportation of passengers, baggage and)	No. 25879
express between Palo Alto and Redwood City,)	
over Middlefield Road, as an alternate route.))	

DOUGLAS BROOKMAN and RALPH A. THOMAS by Douglas Brookman,
for applicant.

J. RICHARD TOWNSEND and H. A. ENCELL by J. Richard Townsend,
for R. F. Martin, interested party.

LORENZ COSTELLO, for Knapp and Demeter.

W. C. BLACK, for the town of Atherton, protestant.

PAUL A. MCCARTHY, for city of Redwood City, protestant.

D. L. SMITH and DAVID INGRAM, in propria persona,

MELVIN MENSOR, for Aileen I. Madison, protestant.

CLARK, Commissioner:

O P I N I O N

In the above-entitled application Pacific Greyhound Lines, a corporation, requests a certificate of public convenience and necessity authorizing the establishment and operation of service as a passenger stage corporation for the transportation of passengers, baggage and shipments of express weighing not in excess of 100 pounds, between Palo Alto and Redwood City over Middlefield Road for the purpose of providing service to and from Dibble General Hospital, on the one hand, and points south of Palo Alto and points north of Redwood City now served by it, on the other hand. It also proposes to provide transportation over Middlefield Road between

its depots located in Palo Alto and Redwood City. No local service would be provided along the proposed new route between these termini. The proposed operation would be conducted as an extension and enlargement of the service provided pursuant to Decision No. 23244. A public hearing thereon was had at Redwood City on April 26 and May 1, 1944, and the matter having been submitted is now ready for decision.

Dibble General Hospital is situated northeasterly of and adjacent to Menlo Park and the same fares would apply. Applicant proposes to operate five round trips daily. This service is designed primarily to meet the needs of the personnel and patients of the Dibble General Hospital who desire to travel to points southerly of Palo Alto and northerly of Redwood City. It would also be available to visitors traveling between the Hospital and such points. Colonel T. W. Christmas of Dibble General Hospital testified that applicant's proposed service would meet certain needs of the personnel, patients and visitors at the Hospital. The main entrance to the Hospital, known as Gate No. 1, is situated on Middlefield Road and would be used by visitors, officers, nurses, and civilian employees. The second entrance, known as Gate No. 2, is situated on Ravenswood Avenue about midway between Middlefield Road and El Camino Real which are about 0.6 of a mile apart. This gate would be used by enlisted personnel attached to the Hospital and the patients going on pass.

Use of Middlefield Road by applicant was opposed by the city of Redwood City, the town of Atherton and several individuals residing in the vicinity or representing property holders. Testimony was adduced to the effect that the cost of construction of the road was borne entirely by the local communities, that curves and

blind intersections constitute serious hazards, that the paved portion is wide enough only for two lanes of traffic and that such pavement is not of sufficiently heavy quality properly to support fast moving heavy equipment without undue wear. It was also contended by protestants, in substance, that the operation of equipment by applicant would create additional traffic hazards on Middlefield Road as well as create a menace and hazard to school children attending schools along this road. It was pointed out that in recent years there has been a considerable increase in the population in this district. It was stated that the minimum size of building lots in Atherton, along Middlefield Road, prevents a density of building to permit the imposition of restricted speeds less than fifty-five miles an hour. Protestants also took the position that inasmuch as fully adequate service is now provided along Middlefield Road between Redwood City and Palo Alto the authorization of applicant to operate along the road would constitute a threat of invasion of the territory served by the present carrier. In their opinion, such threat would tend to impair his ability to continue to provide an adequate service. The position of the present carrier, however, was not disclosed in this regard. Alternatively, protestants suggested that applicant should change its proposal so that it would provide service to and from the Hospital by operating along El Camino Real to its intersection with Ravenswood Avenue, thence easterly on Ravenswood Avenue to Middlefield Road, thence southerly on Middlefield Road to Palo Alto. In their opinion this would enable applicant to serve both entrances to the Hospital and render an adequate service thereto and avoid operations over Middlefield Road between Redwood City and the intersection of Middlefield Road and Ravenswood Avenue at the northerly corner of the tract on which Dibble General Hospital is established. Applicant stated that it could not accept this proposal.

In my opinion the authority requested by applicant is in the public interest, would meet a specific public need and should be granted. However, I am not unmindful of the fact that the public need for the proposed service could well diminish after the cessation of the present war, to an extent that it would be inadvisable for applicant to continue the service. If such a situation develops I believe the matter should be reopened for a further determination as to the public necessity for the continuation of the service.

I do not believe that the operation of this applicant over Middlefield Road will create unreasonable hazards for the local residents as contended by protestants. The Commission's safety rules provide, among other things, that all motor vehicles shall at all times be operated in a safe, prudent, and careful manner with due regard to the traffic and use of the highway by others. The Commission should be informed of violations of such rules for appropriate action. The following form of order is recommended.

Pacific Greyhound Lines 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

An application therefor having been filed, a public hearing thereon having been had, the Commission now being fully informed therein, and it being hereby found that public convenience and necessity so require,

IT IS ORDERED as follows:

(1) That a certificate of public convenience and necessity is hereby granted to Pacific Greyhound Lines, a corporation, authorizing the establishment and operation of service as a passenger stage corporation, as defined in Section 2½ of the Public Utilities Act, for the transportation of passengers, baggage and shipments of express weighing not in excess of 100 pounds, on passenger carrying vehicles only, between Redwood City and Palo Alto and intermediate points, as an extension and enlargement of the operative right as created by Decision No. 23244, subject to the following limitations:

- (a) No passengers, baggage or express may be transported unless having point of origin or point of destination at Dibble General Hospital, on the one hand, and points southerly of Palo Alto, or points northerly of Redwood City presently served by Pacific Greyhound Lines, on the other hand.
- (b) Passengers, baggage and express may be transported between the depots of Pacific Greyhound Lines at Palo Alto and Redwood City.

(2) That in providing service pursuant to the foregoing certificate, the following service regulations shall be observed:

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 Orders Nos. 79 and 80 and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective, appropriate tariffs and time schedules within 60 days from the effective date hereof and on not less than 1 day's notice to the Commission and the public.
- 3. Subject to the authority of this Commission to change or modify it by further order, applicant shall conduct operation, pursuant to the certificate herein granted, over and along the following route:

Beginning at applicant's depot at Redwood City, thence via Perry Street, Broadway, Main Street, Middlefield Road, Everett Avenue and Alma Street to applicant's depot at Palo Alto.

The effective date of this order shall be twenty (20) days from 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 at Los Angeles, California, this 31st day of May, 1944.

Richard W. Backe
Justice J. Craven
Commissioner

COMMISSIONERS