

Public hearings were held in these matters before Examiner Hall on March 20 and April 3, 1946. At the latter hearing the matters were submitted upon the filing of concurrent opening and closing briefs. Briefs have now been filed and the matters are ready for determination.

Both applicants propose to serve the same territory and over routes substantially alike, except where they diverge and connect with existing routes. It appears appropriate, however, to discuss each proposal separately.

NEWTON TRANSPORTATION CO. (Hereinafter referred to as Newton).

This company filed its original Application No. 26805 on June 15, 1945; however, on July 9, 1945, it filed its first supplemental application amending the route, and on March 14, 1946, filed its second supplemental application further amending its route. The final route proposed by Newton is as follows:

Commencing at the intersection of State Highway 88 (Waterloo Road) and Hiawatha Street; thence northerly along Hiawatha Street and its prolongation beyond Bishop Street to Orwood Street; thence westerly on Orwood Street to Funston Avenue; thence northeasterly along Funston Avenue to Sanguinetti Lane; thence along Sanguinetti Lane to Highway U.S. 99 (extension of North Wilson Way); thence along Highway U.S. 99 to Mistletoe Street; thence easterly on Mistletoe Street to F Street; thence southerly on F Street to Robindale Avenue; thence westerly along Robindale Avenue to Sanguinetti Lane; and returning via the same route along Sanguinetti Lane, Funston Avenue, Orwood Street, and Hiawatha Street to the point of beginning. At this latter point said route will connect with the presently certificated route of Newton Transportation Co., running along State Highway No. 88 (Waterloo Road).

Newton proposes a through service between the Sheltered Oaks area and Hunter Square in downtown Stockton,⁽²⁾ by the inauguration of service with one bus operating on a 30-minute headway. This would eliminate the necessity of transferring for those going to and from the downtown area of Stockton. Transfer arrangements are proposed for those desiring to also use the other lines of applicant.

(2) Hunter Square is located adjacent to Hunter Street between Main and Weber Streets in downtown Stockton.

It is proposed to coordinate the schedules of the new line with existing lines in order that there will not be excessive waits at designated transfer points. During the peak period, however, if traffic warrants, it is proposed to place a second bus in the service. The rates of fare proposed for this service are based on two zones with the zone line at the intersection of Orwood and Funston.

The record indicates that the basic fare proposed would be 7 cents within each zone and a 10-cent fare through both zones, with reduced tickets of 12 for 70 cents and 12 for \$1.00 respectively; also a 5-cent school and children's fare through the two zones. However, the same restrictions would apply as on his two existing lines relative to the non-carriage of local passengers between Hunter Square and the intersection of Harding Way and Poplar Street.

Mr. Newton testified that he had sufficient equipment and would be ready to start service immediately upon being granted a certificate for such service.

As to the financial results of the operation of this line, applicant has made no definite estimates although he considered the cost would be approximately the same as that on its East Front line or on the Waterloo line with one bus.

STOCKTON CITY LINES, INC. (Hereinafter called City Lines)

This company, by its Application No. 26834, filed July 9, 1945, proposes to serve the Sheltered Oaks area by an extension of its existing Ophir Street line. The route, as amended at the hearing on March 20th, is as follows:

Commencing at the intersection of Harding Way and Funston Avenue (terminus of the Ophir Street line); thence easterly along Harding Way to Sycamore Avenue; thence northerly along Sycamore Avenue to Walnut Avenue; thence southerly along Walnut Avenue to Funston Avenue; thence northeasterly along Funston Avenue to Sanguinetti Lane; thence northerly on Sanguinetti Lane to Highway U. S. 99 (extension of North Wilson Way); thence northeasterly along Highway U. S. 99 to Vail Avenue; thence easterly along Vail Avenue to Bolle Avenue; thence southerly along Bolle Avenue to Robindale Avenue; thence westerly along Robindale Avenue to Sanguinetti Lane; thence returning along Sanguinetti Lane, Funston Avenue, Walnut Avenue, and Sycamore Avenue and Harding Way to the point of beginning.

It is proposed to put sufficient additional equipment on the Ophir Street line and extension, if granted, in order to perform a schedule with a 20-minute headway during the major portion of the day, a 15-minute headway during the peak periods, and 30-minute headway in the evening. City Lines has sufficient equipment in its fleet to take care of this extension. The initial schedule would require one additional bus on this route.

It is proposed to include the Sheltered Oaks area in its basic 7-cent (or four tokens for 25¢) zone, with free transfers to all other lines of its city-wide system. No estimate was made of the financial results of the operation of the extension.

GENERAL

The Sheltered Oaks area and contiguous territory proposed to be served by these two applicants now has an estimated population of 2,300. Now subdivisions have been opened and many new houses are under construction. This area, all of which is over one-fourth of a mile from existing local service, will be capable of providing homes for a potential population of from 4,000 to 5,000. (3)

(3) Testimony of Howard G. Bissell, Planning Consultant for the City of Stockton and the County of San Joaquin, a witness for both applicants.

The record clearly indicates that the areas involved need local transportation so that the inhabitants may freely circulate in and about the Stockton area as their needs require. Those witnesses called indicated that they desire to travel from and to the downtown section of Stockton, the schools, churches, theatres, industries, and for recreational purposes.

The size and population of the area cannot support two carriers, therefore it is our problem to analyze the record and select the carrier which in our judgment will best meet the needs of the travelling public.

Newton proposes a 2-zone fare system with the zone point at the intersection of Hiawatha Street and Cherokee Lane. The adult fare would be 7 cents per zone or 10 cents for a 2-zone fare. This would be augmented by reduced ticket and children fares as hereinbefore described. This plan also provides for transfer to the two existing lines of Newton.

City Lines proposes to include this extension in its basic 7-cent inner zone with free transfer to all of its other lines within the inner zone.

Each applicant showed that it could perform the service to the Sheltered Oaks area by adding one bus to its operating fleet, which bus is now available, and could provide extra buses should the traffic warrant. The proposed routes of each applicant generally follow the same course and cover the same territory.

The plan of Newton would increase his system mileage by about 280 miles per day, whereas City Lines' proposal would increase that company's system mileage a little over 140 miles. Newton proposes an all-day headway of 30 minutes, whereas City Lines proposes a 20-minute headway during the day, a 15-minute headway during the afternoon peak hours, and a 30-minute headway at night.

The Newton proposal contemplates the granting of transfers only to its East Fremont Street and Waterloo Road lines, whereas the City Lines' proposal would provide transfers to its citywide system. 7

Although some of the people affected would be reasonably well cared for by the Newton proposal, the majority would have a much better and convenient mode of transportation throughout the entire Stockton area by the proposal of the City Lines.

Considerable evidence was received with respect to transportation to a Junior High School proposed to be built in the vicinity of the intersection of East Miner Avenue and Oro Street. It appears that this school will not be completed or opened for a considerable time, therefore this phase should not be considered until the school is about to open and its needs known.

We conclude from the record and find as a fact that the proposal of City Lines better meets the public convenience and necessity of the residents of the Sheltered Oaks and contiguous areas than the proposal of Newton, therefore the application of City Lines will be granted and the application of Newton will be denied.

Stockton City Lines, Inc. is hereby 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 granting 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

Public hearings having been held, briefs filed, and the matters being under submission,

IT IS HEREBY ORDERED that:

I. A certificate of public convenience and necessity be and it is hereby granted to Stockton City Lines, Inc., a corporation, authorizing the establishment and operation of a service as a passenger stage corporation, as defined by Section 24 of the Public Utilities Act, as an extension of and to be consolidated with its present operations, for the transportation of passengers between points and over the following described route:

Commencing at the intersection of Harding Way and Funston Avenue (terminus of the Ophir Street line); thence easterly along Harding Way to Sycamore Avenue; thence northerly along Sycamore Avenue to Walnut Avenue; thence southerly along Walnut Avenue to Funston Avenue; thence northeasterly along Funston Avenue to Sanguinetti Lane; thence northerly on Sanguinetti Lane to Highway U.S. 99 (extension of North Wilson Way); thence northeasterly along Highway U.S. 99 to Veil Avenue; thence easterly along Veil Avenue to Belle Avenue; thence southerly along Belle Avenue to Robindale Avenue; thence westerly along Robindale Avenue to Sanguinetti Lane; thence returning along Sanguinetti Lane, Funston Avenue, Walnut Avenue, and Sycamore Avenue and Harding Way to the point of beginning.

II. In providing service pursuant to the certificate herein granted, applicant 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 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 appropriate tariffs and time schedules within sixty (60) days from the effective date hereof, on not less than one day's notice to the Commission and the public.

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

III, Application No. 26805 be and it is hereby denied.

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

Dated at San Francisco, California, this 30 day of July, 1946.

Edward Ruden
Justice F. Calver
Frank W. ...
John Powell
Harold ...

COMMISSIONERS