

Decision No. 83998**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of (1) OVERLAND BUTTERFIELD  
STAGECOACH, INC., a corporation,  
for a certificate of public convenience and necessity to operate  
(2) a passenger stagecoach line  
service between Solvang, California  
and Los Olivos, California.

Application No. 55213  
(Filed September 26, 1974)

O P I N I O N

Applicant is a California corporation, formed to operate a stagecoach line and to promote sight-seeing, travel, and tourism. A copy of its Articles of Incorporation was filed in this proceeding. It operates out of an office in Newport Beach, Orange County, and has applied for a certificate of public convenience and necessity to authorize the operation of a six-horse, 10-passenger, stagecoach in Santa Barbara County between Solvang and Los Olivos. The termini are six miles apart and applicant will utilize two routes to provide different scenery in each direction. The coach will start from Solvang and proceed north along Ballard Canyon Road to Los Olivos, then return southerly along Santa Barbara Avenue and Alamo Pintado Road to Solvang. The stagecoach ride is offered as part of a 3-day, 2-night sight-seeing tour based in Solvang. On the second day the coach will leave Solvang at 10:00 a.m. and arrive in Los Olivos for a scheduled lunch at 12:00 noon. The return trip starts at 2:00 p.m. and will be in Solvang by 4:00 p.m. The basic adult rate for the tour, including the stagecoach ride, on Sunday through Wednesday will be \$69 per person (double) and on Thursday through Saturday will be \$85 per person (double). Children (12 and under) will

be charged \$50 when they occupy the same room as their parents. If there are empty seats, non-tour passengers can ride for a round-trip fare of \$25 per person. Frequency of operation will depend on the number of tours scheduled, at least twice a week when the tours are started. The stagecoach will not operate during storms or unusual weather conditions.

Sections 225 and 1035 of the Public Utilities Code define the classification "passenger stage" in broad terms. The definition is not restricted to motor vehicles and applicant's horse-drawn carriage is a passenger stage under the applicable statutes. No protests have been filed, but a letter has been received from the Santa Barbara County Department of Transportation, which notes that Santa Barbara Avenue and Alamo Pintado are "rural two-lane county roads, arterial in nature", with no posted speed limit. The letter suggests a hazard may be created if horse-drawn vehicles are permitted to use this route without proper safeguards. Applicant has advised the routes will be posted with a series of signs warning motorists to watch for slow-moving, horse-drawn vehicles and that each coach will be accompanied by outriders on horseback who will ride in front and behind the stage. These men will position themselves an adequate distance from the coach to warn approaching motor vehicles. The vehicle to be used in the proposed service is a Concord "Stagecoach" with a fiber glass body reinforced with wood and steel. It has steel axles and metal wheels with hardwood hubs and roller bearings. Brakes are automotive disc type on all four wheels in addition to the conventional foot brake. Six passengers will ride inside and four on top in seats equipped with safety belts. Six horses will pull the coach and two drivers will be on the coach during all excursions. Applicant owns 15 horses, trained to haul stagecoaches, that will provide the motive power.

Applicant's financial statement dated September 19, 1974 shows a net worth of \$80,100 and total liabilities of \$24,550. It is alleged there is no public transportation between Los Olivos and Solvang, and local motels, restaurants, and business associations support the idea of a tour service provided by stagecoach. It is further alleged that surveys of the visiting public indicate that the proposed service will be well patronized.

Findings

1. Applicant has applied for authority to operate a horse-drawn stagecoach between Solvang and Los Olivos in Santa Barbara County.
2. A minimum of one round trip on two days of the week is proposed. The stagecoach leaves at 10:00 a.m. and returns at 4:00 p.m.
3. Fares are included in the cost of a 3-day, 2-night sight-seeing tour, although non-tour passengers can ride for \$25 per person.
4. There is no public transportation between Solvang and Los Olivos. No protests were filed.
5. The stagecoach will operate over paved county roads where there are no posted speed limits for motor vehicles.
6. Two outriders will move in front and to the rear of each coach at a sufficient distance to warn approaching motor vehicles.
7. Applicant will post signs at appropriate intervals on both routes to warn drivers to watch for slow-moving horse-drawn vehicles.
8. Applicant possesses the experience, equipment, personnel, and financial resources to institute and maintain the proposed service.
9. Public convenience and necessity require the service proposed by applicant.
10. A public hearing is not necessary.

11. We find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment.

The Commission concludes that the application should be granted.

Overland Butterfield Stagecoach, Inc. is placed on 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, such rights extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Overland Butterfield Stagecoach, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes set forth in Appendix A, attached hereto and made a part hereof.

2. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure so to do may result in a cancellation of the authority.

- (a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted. Applicant is placed on notice that if it accepts the certificate it will be required, among other things, to comply with the safety rules administered by the California Highway Patrol, the applicable safety rules promulgated by the county of Santa Barbara, the rules and other regulations of the Commission's General Order No. 98-Series, and the insurance requirements of the Commission's General Order No. 101-Series.
- (b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service and file tariffs and timetables, in triplicate, in the Commission's office.
- (c) The tariff and timetable filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the authorized service.
- (d) The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79-Series and 98-Series.

- (e) Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 21st day of JANUARY, 1975.

Vermon L. Stinson  
President  
William J. Lyons  
Stinson

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Commissioners

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Appendix A

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CERTIFICATE  
OF  
PUBLIC CONVENIENCE AND NECESSITY

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Showing passenger stage operative rights, restrictions, limitations, exceptions  
and privileges applicable thereto.

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All changes and amendments as authorized by the Public Utilities Commission  
of the State of California will be made as revised pages or added original  
pages.

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Issued under authority of Decision No. 83998, dated JAN 21 1975,  
of the Public Utilities Commission of the State of California, in Application  
No. 55213.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS AND SPECIFICATIONS.

Overland Butterfield Stagecoach, Inc., a corporation, by the certificate of public convenience and necessity noted in the margin, is authorized to transport passengers on a horse-drawn stagecoach in Santa Barbara County between Solvang and Los Olivos, over and along the routes hereinafter described, subject, however, to the authority of this Commission to change or modify said routes at any time and subject to the following provisions:

- (a) Horse-drawn stagecoach may be turned at termini in either direction, at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- (b) Two drivers will be on the stagecoach at all times, along with one outrider in front and one outrider in the rear of the stagecoach at a sufficient distance to warn approaching vehicles.

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SECTION 2. ROUTE DESCRIPTION.

Commencing in Solvang at the corner of Alisal Road and Highway 246, continuing north on Alisal Road to Laurel Avenue, Chalk Hill Road and Ballard Canyon Road to Los Olivos. Returning from Los Olivos on Santa Barbara Avenue to Alamo Pintado Road, Old Mission Road, Highway 246 and Alisal Road to Solvang.

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