

Decision No. 20546

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SAN JOSE RAILROADS, a corporation,
for certificate of public convenience
and necessity to operate passenger
service, as a common carrier, between
Minnesota and Lincoln Avenues, Willow
Glen, California, and Curtner and Lincoln
Avenues, Santa Clara County.) Application
) No. 15168

BY THE COMMISSION -

OPINION and ORDER

ORIGINAL

San Jose Railroads, a corporation, the articles of incorporation of which are on file in the office of the Railroad Commission, petitions for authority to establish an automotive passenger stage service as a common carrier for the transportation of passengers between Minnesota and Lincoln Avenues, Willow Glen, and Lincoln and Curtner Avenues, Santa Clara County, and intermediate points.

The proposed fares or rates to be assessed for this service, and rules and regulations governing same are as set forth in Exhibit "A" attached to the application herein.

The proposed time schedules and route between the points to be served are as per Exhibit "B" also attached to the application. Exhibit "C", also attached, shows the equipment to be operated in the proposed service.

The following conditions exist which are relied upon by applicant as justification for the granting of the certificate of public convenience and necessity applied for:

The territory to be served is rapidly developing into urban territory and the proposed bus service is to connect with and extend present street car service of applicant from San Jose to Lincoln and Minnesota Avenues. The proposed bus service will be subsidized by Arthur C. Moore, Charles Crothers and W.L. Atkinson, who are

interested in realty subdivisions together with other subdividing property that will be served by the proposed bus service.

It is the intention of the applicant to perform the service for an experimental period of one year at which time it is thought that applicant and its associates will be able to determine if the service is warranted by the patronage.

We are of the opinion that this is a matter in which a public hearing is not necessary and that the application should be granted.

San Jose Railroads, a corporation, is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. 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.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require the operation by San Jose Railroads, a corporation, of an automotive passenger stage service between Minnesota and Lincoln Avenues in the city of Willow Glenn, and Curtner and Lincoln Avenues in the county of Santa Clara, and intermediate points, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be, and the same hereby is granted to San Jose Railroads, a corporation, subject to the following conditions:

1- Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.

2- Applicant shall file, in duplicate, within a period of not to exceed twenty (20) days from the date hereof, tariff of rates and time schedules, such tariffs of rates and time schedules to be identical to those attached to the application herein, or rates and time schedules satisfactory to the Railroad Commission, and shall commence operation of said service within a period of not to exceed sixty (60) days from the date hereof.

3- The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

4- No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 3rd day of December, 1928.

Leonard
Cleary

Dixie Ladd

W. A. Carr
COMMISSIONERS.