

Decision No. 21077

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
WALTER BOYD for certificate of pub-  
lic convenience and necessity to op-  
erate passenger stage and express  
service between Kettleman Hills,  
Standard Oil Camp, Coalinga and in-  
termediate points.

Application No. 15414.

**ORIGINAL**

Alfred Siemon for applicant.

BY THE COMMISSION:

O P I N I O N

Walter Boyd has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by him of an automobile stage line as a common carrier of passengers and express matter between Coalinga and Standard Oil Company's Camp in Kettleman Hills District, serving Kettleman Hills Junction and intermediate points.

A public hearing on this application was conducted before Examiner Gatterwhite at Bakersfield, the matter was submitted and is now ready for decision.

Applicant proposes to charge rates in accordance with Exhibit "A" and to operate under a time schedule and over the route in accordance with Exhibit "B" attached to said application. Applicant will use as his equipment two 19 passenger White busses and such additional equipment as may be necessary to maintain ample service as warranted by the traffic.

Walter Boyd, applicant, and several other witnesses testified in support of the proposed service. The evidence shows that Kettleman Hills is a new oil field in Kern County where immense deposits of oil and natural gas have been recently discovered. Coalinga is the nearest community where supplies may be purchased or hotel and rooming accommodations obtained. There are now about 1000 men employed by the various large oil and construction companies operating in this oil district. The Standard Oil Company alone employ more than half of these laborers and the General Petroleum Company employs a considerable number. Representatives of several oil well supply and construction companies appeared at the hearing and endorsed the proposed service.

Applicant testified to the effect that his proposed service would carry at least 100 laborers daily to and from these oil fields. Many of these men are using private machines to and from Coalinga and other points and constant requests have been made for the stage service. At the present time there is no public transportation service of any kind. Merchants of Coalinga desire the service for the reason that their sales and shipments of oil well supplies and materials are constantly increasing in this new oil field and at present they have to rely upon private means or conveyances for transportation service.

The evidence shows that the proposed route of applicant between Kettleman Hills Junction and Standard Oil Company's Camp is along the private road of the Standard Oil Company and that the applicant has secured the permission of this company to operate its service over and along this private road, which is about five miles long.

After a careful consideration of the evidence in this proceeding, we are of the opinion that public convenience and necessity require the proposed service of applicant and that application should be granted.

Walter Boyd 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.

#### O R D E R

A public hearing having been held in the above entitled proceeding, the matter having been submitted and being now ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require the operation by Walter Boyd of an automobile stage line as a common carrier of passengers and express between Coalinga and Standard Oil Company's Camp in Kettleman Hills District, serving Kettleman Hills Junction and <sup>other</sup> intermediate points.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to Walter Boyd for the operation of the service hereinabove described, subject to the following conditions:

- 1- Applicant shall file his 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 with 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 him under a contract or agreement on a basis satisfactory to the Railroad Commission.
- 5- Express matter transported under the authority herein granted shall be limited to such commodities as may be transported on the automotive passenger stages operated by applicant without inconvenience to passengers, no single package to weigh in excess of 200 pounds.

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

Dated at San Francisco, California, this 10<sup>th</sup> day of

May, 1929.

Robert L. Stout  
W. C. Seavey  
Ernest J. ...  
Leon ...

Commissioners.