Decision No. 91515



BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of RALPH E. VERMILLION for certificate of public convenience and necessity to operate an automotive passenger service as a common carrier between City of Riverside, California, and Experimental Station.

Application No.15860

BY THE COMMISSION -

OPINION and ORDER

This is an application by Ralph E. Vermillion for a certificate of public convenience and necessity to operate an automotive passenger stage service between the city of Riverside and Riverside Experimental Station, a branch of the University of California located about 2½ miles from the center of the city.

Applicant proposes to charge fares and to give service in accordance with Exhibits A and B, both of which are attached to the application herein and made a part thereof. He proposes to use equipment as set forth in Exhibit C, also attached.

Service was formerly conducted between Riverside and the Experimental Station by one Borden under authority of a certificate purchased from Motor Transit Company, the transfer of the right being approved by Railroad Commission Decision No.10789, issued on Application No.8092. Following the death of Borden, the line was operated by one Mc Kinley, partner with Borden in another business, but not a part owner of the operating right. Mc Kinley discontinued the operation and the applicant herein established a service. The application herein is, in effect, a request for authority to continue such service. It was filed on advice from the Commission that he must obtain a certificate.

Under the circumstances 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, the Administratrix of the Borden estate having vitiated any rights she may have in the operating right. (See Application No.8092).

Relph E. Vermillion 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 Ralph E. Vermillion of an automotive passenger stage service between Riverside and the University of California Experimental Station near Riverside, and

IT IS HEREEY ORDERED that a certificate of public convenience and necessity for such a service be, and the same hereby is granted to Ralph E. Vermillion 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 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 thirty (30) 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.

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 * day of

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DMMISSIONERS.