Decision No. 2:555

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of SOUTHERN PACIFIC MOTOR TRANSPORT COMPANY for certificate of public convenience and necessity to operate auto stage passenger and express service as a common carrier between Surf, Baroda, Pumping Plant, Post, Garus, La Salle, Murray, Acorn and Lompoc.

)Application No.15881

BY THE COLMUSSION -

## OPINION and ORDER

This is an application by Southern Pacific Motor Transport Company, a corporation, for a certificate of public convenience and necessity to operate an automobile service for the transpor - tation of passengers between intermediate points between Lompoc and Surf in connection with and as part of the service it is now giving between Lompoc and Surf. It is proposed to charge rates in accordance with an exhibit marked amended Exhibit "A", which is attached to the application herein and made a part thereof, and to establish service in accordance with the time schedule marked Exhibit "B", also attached.

Applicant recently acquired (Decision No.21277, issued on application No.15724), the operating right under which A.B.Canfield was operating an automotive service between Lompoc and Surf.

Canfield's right did not authorize service to points intermediate between Lompoc and Surf, and it is to remedy this defect that the instant application is filed. Applicant declares that public convenience and necessity require the service proposed. It recently secured authority to transport express between intermediate points.

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.

Southern Pacific Motor Transport Company 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 HEREPY DECLARES that public convenience and necessity require the operation by Southern Pacific Motor Transport Company, a corporation, of an automobile service for the transportation of passengers between all intermediate points between Lompoc and Surf, said service to be given in connection with and as part of the service now being given by applicant between Lompoc and Surf, 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 Southern Pacific Motor Transport Company, 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, such tariffs of rates to be identical with those attached to the application herein and marked "Amended Exhibit A", 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 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 13 day of September, 1929.

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