

Decision No. 22888

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ALBERT L. SCHNEIDER, OSCAR SCHNEIDER, FRANK SCHNEIDER and WALTER SCHNEIDER, for a certificate of public convenience and necessity to operate an auto stage line for the transportation of passengers, baggage, express and freight, for compensation, between Jackson and San Andreas, California, and intermediate points, via Mokelumne Hill, California, in conjunction with and as an extension and enlargement of the transportation service now being rendered by applicants between Sacramento and Jackson, and Plymouth, California, and intermediate points.

OFFICE

Application
No. 16739

Arthur Kochl, for Applicant.
Carl Stewart, for Mokelumne Hill-Valley Springs Stage,
interested party.
John Smalley, for Stockton-Jackson Stage Line,
interested party.
F. A. Davis, for Calaveras Transit Co., Ltd.,
interested party.

LOUTIN, Commissioner -

OPINION

This proceeding, as amended, is an application by Albert L. Schneider, Oscar Schneider, Frank Schneider and Walter Schneider, co-partners, doing business under the fictitious name of Inador Stage Lines, for a certificate of public convenience and necessity to operate an automotive passenger stage service for the transportation of passengers, baggage and express between Jackson and San Andreas and intermediate points via Mokelumne Hill.

Exhibits showing the rates proposed to be charged and the service proposed to be given are attached to the application herein and made a part thereof. Equipment of the same type now used by applicants in service now operated will be used.

A public hearing on the application was held at Jackson, evidence heard and an order of submission made.

Applicants are now engaged in the business of operating an auto stage line for the transportation of passengers, baggage and express as a common carrier between Sacramento and Jackson and Plymouth and intermediate points under authority of Railroad Commission Decision No. 21121, in Application No. 15493, dated May 17, 1929. The instant application is for authority to extend their operations from Jackson to San Andreas, via Mokelumne Hill, serving all intermediate points, the proposed extension to be operated in conjunction with and as part of applicants' existing Sacramento-Plymouth-Jackson service.

At present there are no public means of transportation between Jackson and San Andreas over the route proposed to be followed by applicants, which route is shown on a map submitted at the hearing, and marked "Exhibit No. 1." At the hearing the request for authority to transport freight was withdrawn.

Albert L. Schnieder, one of the applicants, testified as to the need for the proposed service, stating that the application was based on studies made by him and on the many requests received for service beyond his present terminal, Jackson, and to San Andreas and points between San Andreas and Jackson, particularly Mokelumne Hill. He estimated that the extension would yield a revenue of \$7.50 a day as against an expense of approximately \$5.00. He testified further that he proposed to co-ordinate the service with other carriers serving the Mother Lode country and thus make possible a complete transportation service between the major points in the territory. Several other witnesses testified as to the need for the service proposed, and the application was endorsed by the Angels Camp Booster Club and the Calaveras County Chamber of Commerce.

The evidence clearly indicates, and it is hereby found as a fact, that public convenience and necessity require the service herein proposed.

Albert L. Schneider, Oscar Schneider, Frank Schneider and Walter Schneider, co-partners, are 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 following form of order is recommended:

O R D E R

A public hearing having been held on the above entitled and numbered proceeding, testimony heard and the matter submitted and the Commission being fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Albert L. Schneider, Oscar Schneider, Frank Schneider and Walter Schneider, co-partners, operating under the fictitious name of Inador Stage Lines, of an automotive passenger stage service for the transportation of passengers, baggage and express between Jackson and San Andreas, via Hokolunne Hill, and all intermediate points, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and it is hereby granted to Albert L. Schneider, Oscar Schneider, Frank Schneider and Walter Schneider, subject to the following conditions:

1- That no express package weighing in excess of 300 pounds shall be transported and the transportation of express shall be limited to passenger vehicles operated by applicants.

2- That the certificate granted herein is granted as an extension of the rights granted to applicants by Decision No.21121, issued on Application No.15493, dated May 17, 1929, and not as a separate right.

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

4- Applicants 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 thirty (30) days from the date hereof.

5- 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.

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

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

The above opinion and order are hereby declared to be the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 20th day of

September, 1930.

Osborne

Tom A. White
W. S. Lewis