

Decision No. 23150

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of
WILLIAM W. NOBLE, for certificate of
public convenience and necessity to
operate a freight and passenger ser-
vice between Red Bluff, Tehama County,
and Eureka, Humboldt County, California.

Application No. 16584.

Arthur M. Dean for applicant,
Richard N. Mather for Pacific Greyhound
Lines, Inc., protestant.
Richard N. Mather and W. J. Cummings
for Northwestern Pacific Railroad
Company, protestant.

BY THE COMMISSION:

O P I N I O N

William W. Noble has petitioned the Railroad Commission, in accordance with his amended application, for an order declaring that public convenience and necessity require the operation by him of an automobile truck and stage line as a common carrier of freight and passengers between Red Bluff, Tehama County, and Eureka, Humboldt County, serving Rosewood, Beegun, Noble Station, Shield's, Wildwood, Hayfork, Peanut, Forest Glen, Valley View, Bridgeville, Strong's Station and intermediate points; provided, however, that applicant shall render no local service between Eureka and a point on the Highway one-half mile west of Strong's Station and points intermediate thereto.

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

Applicant proposes to charge rates and to operate under a time schedule showing service twice a week in accordance with Exhibits "A" and "B" attached to said application and to use as equipment one 5-ton Moreland truck and one 1- $\frac{1}{2}$ ton Chevrolet truck. The operation is to be performed seasonally, approximately between May 15th and October 15th of each year.

The Northwestern Pacific Railroad Company and Pacific Greyhound Lines, Inc. appeared as protestants to the granting of this application, but by reason of a stipulation which applicant entered into at the hearing, agreeing not to render any local service between Eureka and a point on the Highway one-half mile west of Strong's Station and points intermediate thereto, the protests were withdrawn.

Applicant testified, in support of his proposed service, and called several other witnesses.

The territory sought to be served lies largely in a mountainous area, and for several years last past applicant has operated as a private carrier along the proposed route. There is no certificated carrier serving that portion of the route between Red Bluff and Strong's Station. Applicant introduced in evidence a petition, signed by practically all the merchants, farmers and resort owners on this part of his route endorsing his service.

Eureka and Red Bluff are purchasing centers for all the people in this territory and it was shown by applicant that during the open and summer season, between May 15th and October 15th of each year, he transports a very substantial tonnage of all kinds of supplies and merchandise to the farmers, merchants and vacationists along the entire route. It also appears that the farmers ship out to the markets a considerable amount of

farm products, consisting of cream, potatoes, cabbage, apples, dressed veal and other produce.

The record shows that the territory is rather sparsely populated and that the demand for passenger service will be somewhat limited to about three or four passengers weekly in each direction, with some increase during the summer months when tourists and vacationists visit this territory.

We are of the opinion that the evidence in this proceeding justifies the issuance of a certificate to applicant and that the application should be granted.

William W. Noble 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 of an automobile service as a common carrier of freight and passengers between Red Bluff, Tehama County, and Eureka, Humboldt County, and intermediate points, via Rosewood, Beegum, Noble Station, Shield's, Wildwood,

Hayfork, Peanut, Forest Glen, Valley View, Bridgeville and Strong's Station; provided, however, that applicant shall render no local service between Eureka and a point on the Highway one-half mile west of Strong's Station and points intermediate thereto..

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be, and the same is hereby granted, to William W. Noble, subject to the following conditions:

1. That the service is to be operated seasonally, approximately from May 15th to October 15th of each year.
2. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
3. Applicant shall file in duplicate and make effective within a period of not to exceed thirty (30) days from the date hereof a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application in so far as they conform to the certificate herein granted.
4. Applicant shall file in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof time schedules, covering the service herein authorized, in a form satisfactory to the Railroad Commission.
- 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 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 10th day of December, 1930.

C. L. Sawyer
General

Thos. G. Smith

Commissioners.