

**ORIGINAL**

Decision No. 23805

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
PACIFIC GREYHOUND LINES, INC., a	)	
corporation, for a certificate of	)	
public convenience and necessity de-	)	Application
claring its existing operative rights	)	No.17327
within the State of California in lieu	)	
of all previously existing certificates	)	
and consolidating its operations	)	
into one complete system; also for	)	
certain minor service changes and	)	
extensions or changes in route;	)	
Proposed new route: Between San Mateo	)	
and Hayward.	)	

E. C. Lucas, for Applicant.  
 Jos. B. Held, for Peerless Stages, Inc.,  
 Interested party.

BY THE COMMISSION -

O P I N I O N

Pacific Greyhound Lines, Inc., a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile stage line as a common carrier of passengers, baggage and express between San Mateo and Hayward, and for the consolidation of such operative right with the stage system now operated by applicant under certificate issued by this Commission.

A public hearing on this application was conducted by Examiner Handford at San Francisco, the matter was duly submitted and is now ready for decision.

Applicant proposes to charge rates in accordance with a schedule marked Exhibit 1 as filed at the hearing; to operate two round trips daily between San Mateo and Hayward, via the San Mateo Bridge and Mt. Eden; and to use its present equipment in the furnishing of the service herein proposed.

Applicant relies as justification for the granting of the desired certificate upon the following alleged facts: that there is now available for travel between San Mateo and Hayward, via Mt. Eden, a public highway running over the San Mateo Toll Bridge; that there is no common carrier service of any transportation company carrying passengers, baggage and express over said public highway; that applicant proposes to establish service over said highway and thereby to reroute certain of its schedules now operating between San Francisco and the Stockton and San Joaquin Valley areas, now operating via the Oakland Ferry, over the San Mateo-Hayward proposed route; that by the use of the proposed route the running time in and out of San Francisco to the San Joaquin Valley area and the inland route to Los Angeles will be substantially reduced; and that there will be a direct public carrier service from the San Mateo area to the San Joaquin Valley area.

No protest against the granting of the application was made at the hearing by any protestant or interested party.

The granting of the application is endorsed by witnesses representing Hayward and San Mateo County points, and resolutions endorsing the application were filed as exhibits by the Board of Directors of the Burlingame Chamber of Commerce, the San Mateo Chamber of Commerce, and the City Council of Hayward.

By stipulation it was agreed by the applicant that any certificate issued under this application be restricted so that no passengers, baggage or express would be transported locally between Oakland and/or points intermediate to Hayward (Hayward not included) on the one hand, and Mt. Eden on the other hand, nor locally between Hayward and Mt. Eden, both inclusive.

We have carefully considered the record in this proceeding and conclude therefrom that the public convenience and necessity require the granting of the application although not as a new and separate certificate but as part of and in addition to the operations of applicant's general system as now operated under certificates as heretofore issued by this Commission.

Pacific Greyhound Lines, Inc., a corporation, 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 as to the number of rights which may be given.

O R D E R

A public hearing having been held on the above entitled application, the matter having been duly 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 Pacific Greyhound Lines, Inc., a corporation, of an automobile stage line as a common carrier of passengers, baggage and express between San Mateo and Hayward, via San Mateo Toll Bridge and Mt. Eden, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same hereby is issued to Pacific Greyhound Lines, Inc., a corporation, for the operation of an automobile stage line as a common carrier of passengers, baggage and express between San Mateo and Hayward, via San Mateo Toll Bridge and Mt. Eden, not as a new and separate certificate but as an addition to and as an enlargement of the

