Decision No. 24524

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PEERLESS STAGES, INCORPORATED, a corporation, for a certificate of public convenience and necessity to establish an automobile stage line for the transportation of passenges, baggage, and express between San Lorenzo Junction and Fairmount Hospital of Alameda County, and intermediate points, and to consolidate said operation with the certificate now held for the operation of automobile stages for the transportation of passengers, baggage, and express between Oakland, Hayward, San Jose and Palo Alto, and intermediate points.

Application No. 18017

BY THE COMMISSION -

## OPINION

Peerless Stages, Incorporated, has made application to the Commission for a certificate of public convenience and necessity to establish an automobile stage line for the transportation of passengers, baggage and express between San Lorenzo Junction and Fairmount Hospital in Alameda County and points intermediate and to consolidate the operation with certificate now held under Decision No.21897, dated December 13, 1929, on Application No.15787, and as modified by Decision No.22024, dated January 14, 1930.

Applicant now conducts operation for passengers, baggage and express between Oakland, San Jose, Hayward, Palo Alto and intermediate points. Its operations serve San Lorenzo Junction at 150th Avenue between the City of Oakland and the City of Hayward and the service proposed is a shuttle service between this junction and the Fairmount Hospital. Applicant proposes operating every 20 minutes in each direction from

1 P.M. until 5 P.M. and from 6:20 P.M. until 10:40 P.M. and additional schedules at 11:25 P.M. and 12:05 A.M. each leaving Fairmount Hospital. The distance between San Lorenzo Junction and Fairmount Hospital is approximately three-quarters of a mile. Applicant avers that there has been a demand for such transportation from its service to the San Lorenzo Junction and desires to give same to public.

Fast Bay Street Railways, Ltd., operating electric railway service to San Lorenzo, parallelingmain bus line of applicant, advised the Commission that it has no protest to make against the service proposed.

The rate to be charged between the junction and the Hospital is 5 cents in each direction and to all intermediate points. No other carrier serves between termini and there appears to be no reason why the service should not be established as applied for as a matter of convenience to the public. This appears to be a matter in which a public hearing is not necessary and that the application should be granted.

Peerless Stages, Incorporated, 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.

## ORDER

Peerless Stages, Incorporated, having made application to establish automotive service for passengers, baggage and express between San Lorenzo Junction and the Fairmount Hospital in Alameda County,

IT IS HEREEY ORDERED that a certificate of public convenience and necessity be and the same hereby is granted for the transpor - tation of passengers, baggage and express between San Lorenzo Junction and Fairmount Hospital over and along the following route:

Beginning at a point on 150th Avenue and Fast 14th Street at San Lorenzo Junction, thence northerly along 150th Avenue or Hospital Road to Foothill Boulevard, thence easterly to the Fairmount Hospital of Alameda County;

and subject to the following conditions:

- 1. Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
- 2. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten days' notice to the Commission and the public 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 application insofar as they conform to the certificate herein granted.
- 3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from date hereof, on not less than five (5) days notice to the Commission and the public, time schedules, according to form provided in General Order No.83, covering the service herein authorized, in a form satisfactory to the Railroad Commission.
- 4. 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.
- 5. 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 19th day of Musch

COMMISSIONERS.