

Decision No. 25081

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
C. R. BROOKS, for certificate of
public convenience and necessity to
operate a passenger service as a
common carrier between Redwood City,
Atherton, Menlo Park and Palo Alto.

} Application No. 13260.

Bush Finnell, for applicant.

Roy G. Hillebrand, for Southern Pacific Company,
protestant, and Peninsular Railway
Company, an interested party.

L. B. Markel and H. C. Lucas, for Pacific
Greyhound Lines, protestant.

CARR, Commissioner:

O P I N I O N

C. R. Brooks, who owns and operates a garage on Middlefield Road, on the outskirts of Redwood City, and owns a 1921 Pierce Arrow 7-passenger sedan and a second-hand Jewett special sedan, applies for a certificate to conduct a passenger stage operation between Redwood City and Palo Alto along Middlefield Road to University Avenue in Palo Alto, and thence along University Avenue to the Circle in Palo Alto, proposing to charge fares of 10 cents and 15 cents, according to distance.

A public hearing was had at Palo Alto on August 18th and the matter was submitted.

Public transportation is afforded by the Southern Pacific Company and the Pacific Greyhound Lines between Palo Alto and Redwood City. Certain service at intermediate points is also afforded by these carriers along their routes. There is, however, a considerable number of people of rather

modest means who live along and adjacent to Middlefield Road who would be advantaged by service along that route from Redwood City to Palo Alto. Applicant stated that he anticipated there would be little or no business actually between Palo Alto and Redwood City and stipulated that his application might be deemed amended so as to eliminate service between these two points. Thereupon, the protestants withdrew all objections to the granting of the application, stating that they would not be injured in anywise by the balance of the service sought to be certificated. While it is extremely doubtful if there will be business to maintain regular service of the character thus finally sought, such service, if established, would be of undoubted convenience and benefit to many people living along Middlefield Road who might desire to ride between their homes and Redwood City, or between their homes and Palo Alto. Applicant was very confident that if certificated he could gradually build up a modest business.

Under the circumstances it seems reasonable to grant the limited certification sought.

C. R. Brooks 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 following form of order is recommended:

ORDER

A public hearing having been held on the above application and the matter having been submitted,

IT IS HEREBY FOUND that public convenience and necessity require the operation of a stage line between Redwood City and Palo Alto along Middlefield Road, with service between intermediate points and the termini, but not between termini, and

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

1. Applicant shall file his 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 (10) days' notice to the Commission and the public, a tariff or tariffs construed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be in substantial accord with the exhibit attached to the application, in so far as they conform to the certificate hereby granted, single fares not to exceed 15 cents.
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 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.

The foregoing opinion and order are hereby approved
and ordered filed as the opinion and order of the Railroad Com-
mission.

Dated at San Francisco, California, this 22nd day
of August, 1932.

C. C. Sawyer
Leon O. White
W. H. Caw
W. B. Haver
Commissioners.