Decision No. 25371

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN JOAQUIN & EASTERN RAILROAD COMPANY, a corporation, for a certificate of public convenience and necessity to operate motor vehicles for the carriage of passengers, express and freight between Fresno, California, and Big Creek and Huntington Lake, California, and intermediate points and points beyond, in lieu of its present operative rights.

BY THE COMMISSION -

) First Supplemental) Application) No.16743

FIRST SUPPLEMENTAL OPINION and OHDER

By its supplemental application herein San Joaquin & Eastern Railroad Company, a corporation, asks authority of the Commission

1- To reroute its operation between Fresno and Clovis via Blackstone and Herndon Avenues instead of via Blackstone and Shaw Avenues; 2- to extend its service to serve Watts Valley via Borough, as a side trip from Toll House Road; and 3- to permit applicant to give service between Clovis and Toll House along Lodge Road and Morgan Canyon Road.

The proposed change in the route via Blackstone and Herndon Avenues is alleged to be necessary to pick up and deliver mail to Pinedale, which applicant is now under contract to carry. Applicant also alleges there is demand for service to and from points in the Watts Valley and between Clovis and Toll House as a detour from the main operation.

There is no other carrier serving this field and there appears to be no reason why a public hearing should be **held** in this matter. The application accordingly will be granted.

San Joaquin & Eastern Railroad Company 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 monoply 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

IT IS HEREBY ORDERED that certificate of public convenience and necessity heretofore granted by Decision No.22717, dated July 25, 1930, authorizing applicant to conduct service between Fresno and Huntington Lake, be and it is hereby amended as follows:

Applicant's route is altered to permit the use of Blackstone and Herndon Avenues, thereby serving Pinedale, instead of Blackstone and Shaw Avenues, and it is also authorized to serve by diversion from Toll House Road, Watts. Valley via Borough and also to operate service between Clovis and Toll House via Lodge Road and Morgan Canyon Road,

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 triplicate, and make ef fective 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 exhibit attached to 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 days' notice to the Commission and the public, time schedules 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 2/2/ day of November, 1932.

GON<u>M</u>. ONERS.