Decision No. 25725

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of FLOYD PEARSON, doing business under the name and style of Palo Alto Transit, for a certificate of public convenience and necessity to operate motor coach passenger service as a common carrier in and about the City of Palo Alto and Stanford University, Santa Clara County, and the unincorporated portion of the County of San Mateo, in the vicinity of Palo Alto.

Application No.18731

BY THE COMMISSION -

## OPINION

Floyd Pearson has made application for a certificate of public convenience and necessity to operate a motor coach service for the transportation of passengers in the City of Palo Alto and contiguous unincorporated territory in San Mateo county.

The service proposed by applicant is to provide transportation for an urban community of over 16,000 population now served by the Peninsular Railway but which the railway company proposes to abandon. Applicant intends to operate over the same routes formerly traversed by the Peninsular Railway except in that territory south of Williams Street in Mayfield and along O'Connor and Walnut Streets and Central Avenue in North Palo Alto. A one-way fare of ten cents, and a 20-ride school commutation fare of \$1.00 are proposed.

The Peninsular Railway was authorized to abandon concurrently with the establishment of the service here proposed all motor coach service in and about the City of Palo Alto by authority of Decision No. -75732, in Application No.18732.

A twenty minute schedule will be maintained on the Stamford-Mayfield line beginning at 6 A.M. and continuing until 11:40 P.M. except on Sundays and holidays, when schedules will be slightly reduced. Similar schedules on the Stanford-North Palo Alto line are proposed.

The application has been unanimously approved by the City Council of Palo Alto under a resolution adopted February 27, 1933.

This is a matter in which a public hearing is not deemed necessary. The application will be granted.

Floyd Pearson 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 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

Floyd Pearson having made application to establish automotive passenger service between Palo Alto and Mayfield, unincorporated portion of San Mateo County and Stanford University,

THE RATHROAD COMMISSION OF THE STATE OF CALIFORNIA HERESY DECLARES that public convenience and necessity require the establishment of automotive service between Palo Alto and Mayfield and certain unincorporated territory in San Mateo County known as North Palo Alto, over and along the following routes:

Beginning at the intersection of Lomita Drive,
Mayfield Avenue and Lausen Street, thence via
Lausen Street to Portola Street, thence on
Portola Street to Galvez Street, thence on
Galvez Street to Serra Street, thence to
University Avenue, thence via University Avenue
to the intersection of University Avenue and
Waverly Street, thence over Waverly Street to
California Avenue, on California Avenue to
Williams Street, thence on Williams Street to
College, thence on College to Yale Street, thence
on Yale Street to California Avenue,

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and

From University Avenue and Maverly Street via University Avenue to Middlefield Road, thence via Middlefield Road to Melville Avenue, thence on Melville Avenue, thence on Lincoln Avenue, thence to Lincoln Avenue, thence on Lincoln Avenue to University Avenue, thence on University Avenue to O'Connor Street, thence on O'Connor Street to Manhattan Avenue, on Manhattan Avenue to Bay Shore Highway, thence on Bay Shore Highway to University Avenue, returning via University Avenue to Waverly Street.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefore be and the same hereby is granted to Floyd Pearson, subject to the following conditions:

- 1. Applicant shall file his written acceptance of the certificate herein gramted within a period not to exceed fifteen (15) days from date hereof.
- 2. Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than one day's 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 one day's 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 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 13 day of Muck, 1933.