Decision No. 27506.

BEFORE THE FAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of EAST BAY STREET RAILWAYS, LTD., a corporation, for a certificate of public convenience and necessity to operate MOTOF CORCH SERVICE in Connection with its street railway lines in the counties of Alameda and Contra Costa, State of California.

Application No. 19502.

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

East Bay Street Railways, Ltd., on October 8, 1934, filed with the Commission its Supplemental Application in the above numbered proceeding, asking for a certificate of public convenience and necessity to operate an extension to its Foothill Boulevard (No. 55) Motor Coach Line, in the cities of Cakland and San Leandro, Alameda County.

Applicant proposes to extend its No. 55 Foothill Boulevard Line along Foothill Boulevard from 96th Avenue to Mitchell Avenue, thence via various streets to the business district of San Leandro, all of which is hereinafter described.

Applicant alleges that it has been requested by the City of San Leandro and by numerous individuals to make the motor coach extension herein applied for.

Peerless Stages, Inc., the only probable competing carrier, signified in writing on October 26, 1934, that it would not oppose the granting of this application.

It appears that this is not a matter in which a public hearing is necessary and that the application should be granted.

East Bay Street Railways, Ltd., is hereby placed on 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 Railroad Commission of the State of California
Hereby Declares that public convenience and necessity require
East Bay Street Railways, Ltd., to extend its Foothill Boulevard (No. 55) Motor Coach Line in the cities of Oakland and
San Leandro, as follows, and to operate same as part of its
unified motor coach service, as authorized in this Commission's
Decision No. 27183, dated June 29, 1934:

Commencing at 96th Avenue and Foothill Boulevard, running thence along Foothill Boulevard to Hollywood Boulevard; thence along Hollywood Boulevard to Mitchell Avenue; thence along Mitchell Avenue to Bancroft Avenue; thence along Bancroft Avenue to Estudillo Avenue; thence along Estudillo Avenue to East 14th Street; thence along East 14th Street to Dutton Avenue; thence along Dutton Avenue to Dowling Boulevard; thence along Dowling Boulevard to Mitchell Avenue, returning over the same route to the point of beginning.

IT IS HERHBY ORDERED that a certificate of public convenience and necessity for the above mentioned service be and the same is hereby granted to East Bay Street Railways, Ltd., subject to the following conditions:

(I) Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.

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(2) Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on nor less than ten (10) 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 after the effective date of this order, on not less than five (5) days notice to the Commission and the public, time schedules covering the service herein authorized in a form satisfactory to the Pailroad Commission. (4) Applicant is authorized to turn its motor coaches around at the termini or other points herein described, or at points where schedules may terminate along said route, by operating such motor coaches in either direction around the block at said termini or at points where said schedules may be so terminated along said routes and to carry passengers thereon provided, however, that such turn-around loop shall not encompass more than one square city block or the equivalent of one square city block at such termini as traffic regulations of the municipalities may require. (5) 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. (6) 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. The authority herein granted shall become effective on the date hereof. <u>-5-</u>

Dated at San Francisco, California, this day of November, 1934.

Leon O Whitsell

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MS Harris

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Draus Rolloff

Commissioners.