Decision No. 27518 BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA In the Matter of the Application of PACIFIC CREYHOUND LINES, INC., a corporation, for certificate of public convenience and necessity to operate a passenger stage service as a common carrier between Lower Lake and Upper Lake via Clear Lake Oaks and Lucerne, and for authority to suspend the operation of through ) Application No.19661 schedule between San Francisco and Calistoga approximately during the period September 15th, to May 15th in the light of each year. BY THE COMMISSION -PRELIMINARY OPINION AND ORDER

Pacific Greyhound Lines, Inc. seeks a certificate of public convenience and necessity authorizing the extension of its passenger, baggage and express transportation service in Lake county from Lower Lake to Upper Lake via the highway on the east side of Clear Lake, and for its consolidation with applicant's general system.

This service formerly was conducted by applicant but was discontinued by proper authority. Applicant now has the contract to carry U. S. Mail between Upper Lake and Lower Lake and desires to accommodate a demand for passenger and express service. No other cerrier is affected by the request.

This appears to be a matter in which a public hearing is not necessary, except as to another feature of the application.

The certificate will be granted.

Applicant also seeks authority to discontinue through service between Calistoga and San Francisco from September 15th to May 15th, thus leaving such through service available only in the summer season. This portion of the application will be presented at a public hearing. Nothing herein is to be construed as determining or affecting the discontinuance sought.

Pacific Greyhourd Lines, Inc. 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. Pacific Greyhound Lines, Inc. having made application for a

certificate of public convenience and necessity for the extension of its passenger, baggage and express service between Lower Lake and Upper Lake,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment of automotive stage service for the transportation of passengers, baggage and express between Lower Lake and Upper Lake and all intermediate points, over and along the following route:

Via Clear Lake Highlands, Clear Lake Park, Burns Valley School, Williams Jct., Clear Lake Oaks, Lucerne and Nice; and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted to Pacific Greyhound Lines, Inc., 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, stipulating in said acceptance that the certificate herein granted is accepted as an enlargement and extension of its operations as authorized by Decision No.23244, on Application No.16989, et. seq. and consolidated therewith and not as a new or separate operating right.
- 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 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,

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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, or rates satisfactory to the Railroad Commission.

- 5. 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 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 13th day of November, 1934.

COMMISSIONERS.