

Decision No. 27583

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
the YREKA RAILROAD COMPANY to establish)
and maintain auto truck service for the)
transportation of freight and express)
between Montague, California, and Yreka,) Application
California, in lieu of train service as) No.19733
an extension and enlargement of the rights)
heretofore granted by Decision No.16458,)
on Application No.12531, dated)
April 10, 1926.)

BY THE COMMISSION -

ORIGINAL

O P I N I O N

Applicant corporation seeks enlargement of its right to transport passengers and baggage between Yreka and Montague, granted by Decision No.16458, dated April 10, 1926, on Application No.12531. For several years the corporation has transported freight and express by truck between termini under the belief that its certificate authorized such operations. Recently its attention was called to the fact that this freight service was not conducted validly and applicant now, by this application, seeks to comply with the law and submit to the jurisdiction of the Commission. Practically all of its truck business is for and on behalf of the Yreka Railroad Company's business - freight, express and mail - and its route parallels that of the railroad.

The truck is used only for less than carload business, in lieu of train service and at the rates of Yreka Railroad Company. Its schedules are the train schedules. By the enlargement sought applicant will be authorized to maintain passenger, baggage and express and freight automotive service in lieu of trains. The rates to be charged for each class will be as set forth in the rail tariffs. No other carrier serves between Yreka and Montague.

This is a matter in which a public hearing is not necessary.

The application will be granted.

Yreka 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 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

Yreka Railroad Company, a corporation, having made application, as above entitled, and the Commission being fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation of automotive freight service between Yreka and Montague over and along the main highway between termini, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted to Yreka Railroad Company, a corporation, 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 the date hereof, stipulating therein that said certificate is accepted as an extension and enlargement of the operating right granted by Decision No.16458, dated April 10, 1926, on Application No.12531, 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 one day's notice to the Commission and the public, a supplement to Local Freight Tariff No.4-A, C.R.C. No.12, and Local Passenger Tariffs Nos.5-A and 6, C.R.C. Nos.61 and 64, supplements thereto or reissues thereof, to provide that rates, fares, rules and regulations contained therein will be applicable in connection with auto stage and truck operations in addition to operation by rail.

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 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 10th day of December, 1934.

Leon Whittell
W. B. Harris
W. B. Harris
Frank R. Kelly
COMMISSIONERS.