

Decision No. 27702

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
INDIAN VALLEY RAILROAD COMPANY for  
certificate of public convenience  
and necessity to operate automobile  
truck line service, as a common carrier,  
between Paxton station and Crescent Mills  
station, in Plumas county, California.

Application  
No. 19777

**ORIGINAL**

BY THE COMMISSION -

O P I N I O N

Indian Valley Railroad Company, a California corporation, has made application to establish automotive operation for the transportation of property between Paxton and Crescent Mills. Applicant operates railroad service between the points but desires to eliminate certain unprofitable rail hauls of small volume. The rail service is now three times each week. By substituting truck service for less than carload shipments applicant will render a daily, except Sunday, movement between the points. The movements are to be conducted at less than carload rail rates and rules and regulations, as shown in various freight tariffs of applicant on file for rail service. No other carrier is affected. This appears to be a matter in which a public hearing is not necessary. The application will be granted.

Indian Valley 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 limited to the number of rights which may be given.

ORDER

Indian Valley Railroad Company, a corporation, having made application to establish and operate automotive truck service for the transportation of less carload shipments between Paxton and Crescent Mills,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment of automotive truck service between Paxton and Crescent Mills and intermediate points for the transportation of less than carload shipments over and along the main highway between termini served as a rail carrier, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted, 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 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 supplement to Local and Proportional Freight Tariffs No.2-K, C.R.C. No.47, and No.49-D, C.R.C. No.50, supplements thereto or reissues thereof, to provide that rates, rules and regulations contained therein, applicable for transportation of less carload shipments, will apply in connection with auto truck operations as a substitute for that of operations 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 20<sup>th</sup> day of January, 1935.

Leon Wheeler

M. A. C.

M. B. Harris

Malcolm Brown

Frank R. Kern

COMMISSIONERS.