

Decision No. 27976

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
HUMBOLDT MOTOR STAGES, INC., a corpor-
ation, for certificate of public con-
venience and necessity to operate an
automotive stage line, as a common
carrier between Orleans and Somes Bar;
between Bridgeville and Ruth; and between
Mad River and Peanut and to consolidate
same with remainder of applicant's
system; also application for authority
to interchange equipment with Redding-
Weaverville Stage Company on a rental
basis.

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) Application
) No. 19895

E. C. Nelson, for applicant.

BY THE COMMISSION -

ORIGINAL

OPINION

Applicant, Humboldt Motor Stages, Inc., seeks certificate of public convenience and necessity to operate automotive passenger, baggage and express transportation between Bridgeville and Peanut, with diversion at Mad River to Ruth; also for removal of restriction forbidding local service between Orleans and Somes Bar. It also seeks approval of an equipment leasing contract with George A. Manley, operating similar service between Weaverville and Redding.

A public hearing herein was conducted by Examiner Williams at Weaverville, the matter was duly submitted, without prejudice.

Burr P. Mc Connaha, President of Humboldt Motor Stages, Inc., since his acquisition of the network of mountain operations between Eureka and Redding, has sought to bring the whole into a system covering over 500 route miles, - the many separate operations acquired. All that remains to complete this system is the essence of this application.

Mr. Mc Connaha testified that the extension between Bridgeville and Peanut will provide continuous service by this route three days each week to and from Eureka and the diversion two days each week. Service between Forest Glen and Peanut will be "on call" only. The removal of restrictions, imposed heretofore to protect carriers between Orleans and Somes Bar, where applicant is the sole remaining utility, will permit seasonal service between the two points in response to present demand.

John Taylor, operating a general store at Mad River, and Andrew Damgaard, operating the fishing report at Forest Glen, testified that the proposed operation will furnish passenger connections which have not been available since 1933. W. W. Noble, who has a certificate to operate passenger and freight service between Eureka and Red Bluff, via Forest Glen, has not provided for passengers.

The application will be granted as it will provide two through routes between Eureka and Weaverville, one via Forest Glen, and the other via Arcata and Burnt Ranch, with diversion on the last route at Willow Creek to Happy Camp and Orick, serving Weitchpec, Orleans and Somes Bar as intermediates. By connection at Weaverville through service to Redding and the upper Sacramento valley will be provided. These services will be the only transportation services, except truck, in an area of several thousand square miles of mountainous territory. By connections with other north and south carriers, both rail and stage, rapid transit to Oregon, to San Francisco and Sacramento will be established.

In connection with this transportation web the exchange of equipment, under lease, between Humboldt Motor Stages, Inc. and Redding-Weaverville Stage Line, as provided for in the contract attached to the application as Exhibit "D", seems in public interest and in consonance with the Commission's

General Order 67-A regulating such matters. All questions of public liability appear to be amply safeguarded. As the services are mainly seasonal, time for compliance with the order will be shortened as a matter of public convenience.

Humboldt Motor Stages, 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.

ORDER

The above entitled application having been publicly heard and duly submitted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment of automotive passenger, baggage and express service as a common carrier between Bridgeville and Peanut, via Mad River and Forest Glen, with diversion at Mad River to Ruth, and all points intermediate; also between Orleans and Somes Bar and all points intermediate, over and along the following route:

- (a) Between Bridgeville and Peanut, via Mad River and Forest Glen, with diversion between Mad River and Ruth, over main county highway, and
- (b) Between Orleans and Somes Bar, via main county highway, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted to Humboldt Motor Stages, Inc., which said certificate herein is consolidated with the rights heretofore granted by Decision No.26338, on Application No.19036, by Decision No.26946, on

on Application No.19389, as amended, and by Decision No.27228,
on Application No.19510, as amended, and subject to the following
conditions:

1. Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed five (5) days from date hereof.
2. Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days after date of this order, on not less than five (5) 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 in so far as they conform to the certificate herein granted, or rates satisfactory to the Railroad Commission.
3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days after 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 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 20th day of May, 1935.

Jean C. Whiteley
W. A. Linn
M. B. Jones
W. H. Brown
Paul R. Cron
COMMISSIONERS