

Decision No. 28703.

BEFORE THE RAILROAD 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 motor coach service in
the County of Alameda, State of
California.

Application No. 20289.

ORIGINAL

BY THE COMMISSION:

SUPPLEMENTAL ORDER

ITEM
East Bay Street Railways, Ltd., a corporation, on December 9, 1935, filed a supplemental application in the above entitled proceeding requesting a certificate of public convenience and necessity authorizing it to operate as a unified and consolidated portion of its transportation system, the motor coach service between the City of Oakland and the City of San Leandro by way of San Leandro Street.

The application states that such service will offer patrons a more adequate and convenient service than at present exists and that it will provide transportation service for a large industrial area which is at present without adequate transportation facilities.

The rate of fare of the proposed motor coach service will be the same as provided in the tariff of the East Bay Street Railways, Ltd., for service between the same points by other routes and the same transfer privileges as enjoyed by patrons of the present motor coach and street railway lines of applicant will be in effect.

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 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.

The Railroad Commission of the State of California Hereby Declares that public convenience and necessity require the operation by East Bay Street Railways, Ltd., of a motor coach service for the transportation of passengers, as a part of its unified operation, as authorized in Decision No. 27183, in Application No. 19502, in the City of Oakland, County of Alameda, State of California, described as follows:

"From East 14th Street and Davis Street, in the City of San Leandro, along Davis Street to San Leandro Street, along San Leandro Street to 105th Avenue, along 105th Avenue to San Leandro Street, along San Leandro Street to High Street, along High Street to East 14th Street."

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and the same is hereby granted to East Bay Street Railways, Ltd., 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, 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, amend the fares shown in the Zone Boundaries of its passenger tariffs to provide for the application of same to the motor coach service as herein authorized.

- (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 this Commission.
- (4) Applicant is authorized to turn its motor vehicles at termini, either at the intersection of the streets or by operating around a block contiguous thereto, in either direction, and to carry passengers as traffic regulations of the municipality may require.
- (5) The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the 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 this Commission.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this 6th day of April, 1936.

M B Lewis
Leon Whitely
M A Lewis
Walter Moore
Frank R. Lumb

Commissioners.