

IN

Decision No. 29475.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
NEVADA COUNTY NARROW GAUGE RAILROAD
COMPANY, a corporation, for a Certi-
ficate of Public Convenience and
Necessity to operate buses between
Colfax and Nevada City, for the trans-
portation of passengers, baggage and
express.

Application No. 20928.

ORIGINAL

BY THE COMMISSION:

O R D E R

Nevada County Narrow Gauge Railroad Company, a corporation, filed the above entitled application on December 19, 1936, requesting a Certificate of Public Convenience and Necessity to operate buses for the transportation of passengers, baggage and express between Colfax, Placer County, and Nevada City, Nevada County. Applicant now owns a narrow gauge railroad between said points over which it operates two passenger train schedules daily in each direction, connecting with the main line trains of Southern Pacific Company at Colfax.

It is proposed to substitute a bus service for two afternoon schedules of trains Nos. 3 and 4, said service to operate over the main highway which approximately parallels the railroad.

Applicant proposes to serve all points along said highway between Colfax and Nevada City, except that it does not propose to run local service between Nevada City and Grass Valley. In addition to passengers, applicant proposes to transport express matter of Railway Express Agency, Inc., to the same extent and in the same manner as such express matter is transported on the railroad of applicant.

The application recites that it is proposed to operate this bus service during the period December 1st to May 1st of each year but that if deemed desirable, the service will be operated throughout the year.

Pacific Greyhound Lines, which apparently is the only other common carrier operating in the vicinity of Grass Valley and Nevada City, has stated, in writing, that it has no objection to the granting of this application and concurs in applicant's request that it be granted ex parte.

It appears that this is a matter in which a public hearing is not necessary and that the application should be granted.

Nevada County Narrow Gauge 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.

The Railroad Commission of the State of California Hereby Declares that public convenience and necessity require the operation by Nevada County Narrow Gauge Railroad Company, a corporation, of an automotive passenger stage service for the transportation of passengers, baggage and express between Colfax, Placer County, and Nevada City, Nevada County, over the main highway between said termini and serving all intermediate points excepting that no local service between Grass Valley and Nevada City shall be rendered.

IT IS HEREBY ORDERED that a certificate of public con-

venience and necessity therefor be, and the same is, hereby granted to Nevada County Narrow Gauge Railroad Company, subject to the following conditions:

- (1) Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
- (2) Applicant shall commence the service herein authorized within a period of not to exceed thirty (30) days from the effective date hereof, and shall file in triplicate and concurrently make effective on not less than ten (10) 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 and rules satisfactory to the Commission.
- (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 the Commission.
- (4) 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 obtained.
- (5) No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant under a contract or agreement on a basis satisfactory to the Commission.

For all other purposes the effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 18th day of January, 1937.

Walter H. ...
Leon ...

Raymond ...
Ray H. Riley
Commissioners