

Decision No. 25865.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
BAKERSFIELD AND KERN ELECTRIC RAILWAY  
COMPANY, a corporation, for a certifi-  
cate of public convenience and necessity  
to operate a passenger bus service into  
the suburban areas of Arp Addition,  
Riverview, Oildale and Highland Park  
north of and adjacent to the City of  
Bakersfield, California.

Application No. 21202.

**ORIGINAL**

BY THE COMMISSION:

O R D E R

Bakersfield and Kern Electric Railway Company, a corporation, on May 19, 1937, filed an application seeking a certificate of public convenience and necessity to operate a passenger motor bus service into the suburban area of Arp Addition, Riverview, Oildale, and Highland Park, north of and adjacent to the City of Bakersfield, County of Kern, California.

Applicant alleges that the area proposed to be served is 90 per cent residential, occupied by laborers and middle-class people comprising an estimated population of 6,000; that the area is being rapidly developed and subdivided; that portions of the area are located 4½ miles from Bakersfield; that no common carrier passenger service is available to the area involved at this time; that the proposed service will provide a unified passenger service within the areas now served by applicant; that there is now a substantial flow of passenger traffic by private automobile between the points proposed to be served herein; and that applicant has had numerous requests to establish a passenger motor coach route to serve the area involved from individuals and civic associations during the past year.

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

Bakersfield and Kern Electric Railway 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 Bakersfield and Kern Electric Railway Company, a corporation, of a motor coach service for the transportation of passengers between the City of Bakersfield and the unincorporated suburban areas of Arp Addition, Riverview, Oildale, and Highland Park, north of and adjacent to the City of Bakersfield, upon and along the route described as follows:

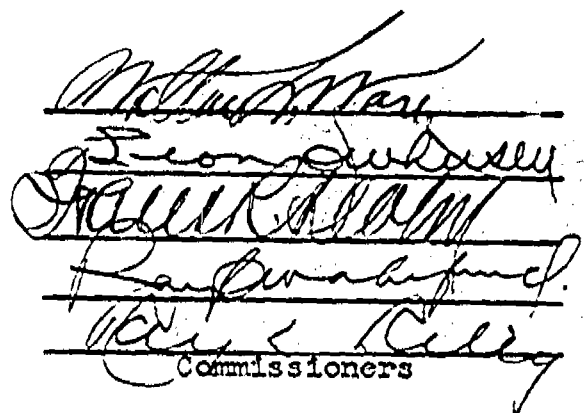
"Commencing at the intersection of Chester Avenue and 19th Street in the City of Bakersfield; thence northerly along Chester Avenue to City Limits at 34th Street; thence continuing along Chester Avenue in the County of Kern to Roberts Lane; thence westerly along Roberts Lane to Oildale Drive; thence northerly along Oildale Drive to unnamed county road, passing through the center of Section 12, Township 29 South, Range 28 East, M.B.D. & M; thence easterly along said unnamed county road to Hurrle Avenue; thence northerly along Hurrle Avenue to Highland Drive; thence easterly along Highland Drive to Howard Avenue; thence southerly along Howard Avenue to Third Street; thence easterly along Third Street to Chester Avenue; and thence southerly along Chester Avenue to the point of commencement."

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Bakersfield and Kern Electric Railway 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 sixty (60) days from the effective date hereof, and shall file in triplicate and concurrently make effective on not less than ten (10) days' notice to this 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 Exhibits "A-I" and "A-II" attached to the application in so far as they conform to the certificate herein granted, or rates and rules satisfactory to this Commission.
- (3) Applicant shall file, in duplicate, and make effective within a period of not to exceed sixty (60) days after the effective date of this order, on not less than five (5) days' notice to this Commission and the public, time schedules covering the service herein authorized, and substantially in accordance with time schedules shown in Exhibit "B" attached to the application, and in a form satisfactory to this Commission.
- (4) Applicant is authorized to turn its motor vehicles at termini or intermediate points, either in 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 political subdivision may require.
- (5) The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned, unless the written consent of this Commission to such discontinuance, sale, lease, transfer or assignment has first been obtained.
- (6) 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 this Commission.

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

Dated at San Francisco, California, this 14<sup>th</sup> day of June, 1937.

  
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