

Decision No. 29944

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
BAY CITIES TRANSPORTATION COMPANY for
authority to operate vessels on the
inland waters of the State of Califor-
nia, as a common carrier of property,
for hire between San Francisco, Oakland
and Alameda on the one hand and Yerba
Buena Island and Golden Gate Inter-
national Exposition Site on the other
hand.

Application No. 21131

ORIGINAL

BY THE COMMISSION:

OPINION AND ORDER ON REHEARING

By Decision No. 29969 dated July 27, 1937, in the above entitled proceeding the Commission authorized applicant to operate vessels upon the inland waters as a common carrier for the transportation of property between Golden Gate International Exposition Site on the one hand and San Francisco, Oakland and Alameda on the other hand but found that "there appears to be no demand for applicant's proposed transportation service to and from Yerba Buena Island proper."¹ On August 11, 1937, applicant filed its petition for rehearing offering to present further evidence in support of an operative right to and from Yerba Buena Island proper.

Rehearing was had before Examiner W. S. Johnson at San Francisco on September 13, 1937.

¹

Applicant sought a certificate authorizing service as a common carrier for the transportation of property between San Francisco, Oakland and Alameda on the one hand and Yerba Buena Island and Golden Gate International Exposition Site on the other hand.

According to the record freight moving from or to Yerba Buena Island proper is either consigned to or shipped by the United States Government. While some of this traffic is transported under Government bills of lading a considerable portion moves as commercial freight from or to the Navy Department or the Lighthouse Service. The record indicates that in the past applicant has engaged in the transportation of this traffic in the belief that such service was included in operative rights already possessed. However, by Decision No. 29772 of May 24, 1937, in Case No. 3824 the Commission excluded transportation from and to Yerba Buena Island in defining applicant's operative rights. It appears that there is a need for the continued operation of applicant's vessels for the transportation of property from and to Yerba Buena Island proper, particularly for the United States Lighthouse Service.

The rates which applicant proposes to charge are those now in effect between San Francisco and Oakland filed with this Commission in Bay Cities Transportation Company Local Freight Tariff No. 8, C.R.C. No. 8; Local Joint Freight Tariff No. 10, C.R.C. No. 10; and Local Freight Tariff No. 11, C.R.C. No. 11.

The application will be granted. Bay Cities Transportation 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 in the number of rights which may be given.

O R D E R

This matter having been duly heard and submitted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY
DECLARES that public convenience and necessity require the operation by Bay Cities Transportation Company of a common carrier service for the transportation of property by vessel between Yerba Buena Island and Golden Gate International Exposition Site on the one hand and San Francisco, Oakland and Alameda on the other hand.

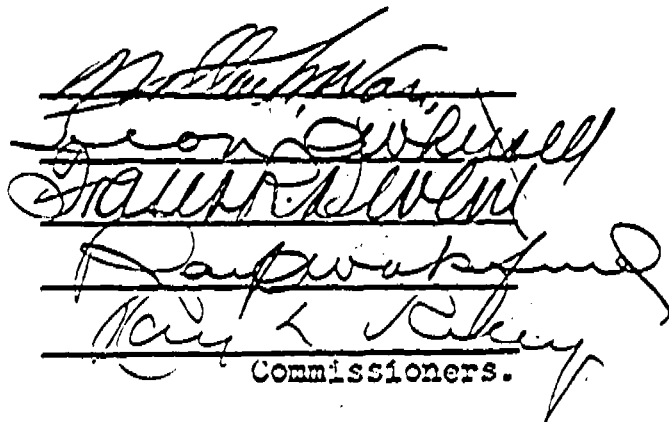
IT IS HEREBY ORDERED that a certificate of public convenience and necessity authorizing said operation be and it is hereby granted to Bay Cities Transportation Company in lieu of the certificate of public convenience and necessity granted in and by Decision No. 29969 in this proceeding, subject to the 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 date hereof.
2. Applicant shall file and make effective within a period of not to exceed thirty (30) days from the effective date of this order and not less than five (5) days notice to the Commission and to the public, a tariff or tariffs constructed in accordance with the requirements of the Commission and containing rates and rules which in volume and effect shall be identical with those set forth in the application.
3. 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 obtained.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 20th day of

Sept., 1937.


Commissioners.