

Decision No. 30146

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
O. C. & N. Stages, Inc., a corporation, )  
for authority to (1) reroute its service )  
between Cornell, California, and the )  
California-Oregon Stage Line, through )  
and to (2) serve the town of Tule Lake, ) Application No. 21447  
California, under its existing )  
certificate of convenience and necessity )  
for the transportation of passengers, )  
baggage and express by automobile stage.)

BY THE COMMISSION:

ORIGINAL

O P I N I O N

This is an application by O. C. & N. Stages, Inc., a corporation, for authority to discontinue and abandon that portion of its automotive service as a common carrier of passengers, baggage and express between Cornell, just north of Pickering Camp, and a point on the California-Oregon State Line near Malin, Oregon, as presently operated, and the substituting therefor of a similar service from Cornell and a point on the California-Oregon State Line approximately four miles southeast of Merrill, Oregon, via and with service to and from Tule Lake, California, as an intermediate point.

The authority herein sought will result in the elimination of the fare point State Line and the addition of the fare point of Tule Lake.

As justification for the granting of the initial application, applicant alleges that;

- (a) The present route between Cornell, California, and the State Line, California, and Oregon, at a point approximately two and one-half miles southeast of Malin, Oregon, is over an unimproved road, which at present receives but little maintenance from the County of Modoc

due to the lack of travel over it. The proposed rerouting is over an oiled highway constructed by the Bureau of Public Roads and maintained by them.

(b) The present route serves but two families between Cornell, California, and the State Line, California and Oregon, while the proposed route through and serving Tule Lake, California, as an intermediate point would serve approximately 1,000 people.

(c) That the applicant is at present honoring, under an agreement entered into with the Southern Pacific Company as of the 12th day of October, 1934, tickets issued over the Southern Pacific Lines to Tule Lake, California, and that discharge of such passengers and baggage is now made at Merrill or Malin, Oregon, at the option of such person or persons. The proposed rerouting would permit the Stage Company to transport such passengers and their baggage to their destination.

(d) There is at present no other common carrier serving this territory in the transportation of passengers, baggage and express by passenger train, electric train or automotive passenger vehicle.

In addition, Railway Express Agency, Southern Pacific Company, Tule Lake Chamber of Commerce, and the City of Tule Lake, have indicated in writing that they approve the request made herein.

This appears to be a matter in which a public hearing is not necessary. This application will be granted.

O. C. & N. 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.

#### O R D E R

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY  
DECLARES that public convenience and necessity require the

establishment and operation by O. C. & N. Stages, Inc., of common carrier automotive service for the transportation of passengers, baggage and express as a passenger stage corporation, as such is defined in Section 2-1/4 of the Public Utilities Act between Cornell, just north of Pickering Camp, and a point on the California-Oregon Stage Line approximately four miles southeast of Merrill, Oregon, and all intermediate points via Tule Lake, California, as an extension and enlargement of its present operating rights as set forth and established by Decision No. 25145, dated December 10, 1930, on Application No. 16872, subsequently modified and amended by Decisions Nos. 24162, dated October 26, 1931, and 26694, dated January 6, 1934, on Applications Nos. 17673 and 19238, respectively, and subject to all conditions, limitations and restrictions imposed therein.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same is, hereby granted to O. C. & N. Stages, Inc., a corporation, 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 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 days' notice to the Railroad 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 Railroad 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 days' notice to the Railroad 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 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 Railroad Commission.

IT IS HEREBY FURTHER ORDERED that O. C. & N. Stages, Inc., be and it is hereby authorized to discontinue and abandon all its common carrier service for the automotive transportation of passengers, baggage and express between Cornell, just north of Pickering Camp, and a point on the California-Oregon State Line near Malin, Oregon (known as State Line), as presently authorized and operated, and all its tariffs and time schedules therefor be and they hereby are cancelled.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 20<sup>th</sup> day of September, 1937.

William A. ...  
John ...  
Paul ...  
Robert ...  
Carl ...  
COMMISSIONERS.