Decision No. <u>39149</u>

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of EAST BAY TRANSIT) COMPANY, a corporation, for a Certificate of Public) Convenience and Necessity to operate Motor Coach ser-) vice in the County of Alameda and for an order auth-) orizing it to discontinue certain motor coach service) in said County of Alameda, State of California.)

Application No. 19502.

ORIGINAL

BY THE COMMISSION:

FOURTEENTH SUPPLEMENTAL ORDER

East Bay Transit Company, on August 30, 1937, filed a supplemental application in the above-numbered proceeding requesting a certificate of public convenience and necessity to (1) abandon that portion of its Nos. 50, 51, and 52 motor coach lines operating along 20th Street between Telegraph Avenue and Broadway, Oakland, and (2), to establish in lieu thereof an extension of said routes along Telegraph Avenue from 20th Street to 22nd Street; along 22nd Street to Broadway; and along Broadway to 20th Street, and the remainder of these routes to remain unchanged.

It is alleged by applicant that the turning of its busses from Telegraph Avenue on to 20th Street and from 20th Street on to Broadway causes unnecessary street congestion and that by extending these routes to 22nd Street this congestion can be largely eliminated, and furthermore, service can be given to a larger area.

On September 2, 1937, the Uptown Development Association, and on September 3, 1937, the City of Oakland advised the Commission that they were agreeable to the granting of this application.

It appears that the request is reasonable and should be granted.

East Bay Transit Company is hereby placed on notice that

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"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 dostroyed 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 Transit Company, a corporation, of a motor coach service for the transportation of passengers, as an extension and enlargement of its existing operative rights, over the following described route:

> From 20th Street and Telegraph Avenue, along Telegraph Avenue to 22nd Street, along 22nd Street to Broadway, and along Broadway to 20th Street

and to discontinue service on 20th Street between Telegraph Avenue and Broadway.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such service is hereby granted to East Bay Transit Company, 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 commence the service herein authorized within a period of not to exceed thirty (30) days from the effective date hereof, and concurrently with the abandonment of service as hereinafter authorized.
- (3) The rate of fare for the service herein authorized shall be as shown in local and joint passenger tariffs of East Bay Transit Company now on file with the Commission, supplements thereto, or re-issue thereof.
- (4) 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 Railroad Commission.

- (5) Applicant is authorized to turn its motor vehicles at termini, 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 municipality may require.
- (6) 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, salo, lease, transfer, or assignment has first been secured.
- (7) 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 the Railroad Commission.

IT IS HEREBY FURTHER ORDERED that permission and authority is hereby granted to East Bay Transit Company to abandon concurrently with the establishment of the service herein sutherized, that portion of its motor coach service operating along 20th Street between Telegraph Avenue and Broadway in the City of Oakland.

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

Dated at San Francisco, California, this 20²² day of September, 1937.

Commissioners.