Decision No. 20209

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of MOTOR TRANSIT COMPANY, a corporation, for an in lieu certificate of public convenience and necessity.

Fourth Supplemental Application No. 20948

BY THE COMMISSION:

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SECOND SUPPLEMENTAL OPINION and ORDER

By this fourth supplemental application, Motor Transit Company, a corporation, seeks a certificate of public convenience and necessity to extend the route on its so-called San Bernardino-Highland-Patton Line so as to make a loop operation through the Highland-Patton District via Base Line Avenue, Palm Avenue, Highland Avenue and Victoria Street instead of via Palm Avenue in both directions as currently operated. Applicant further requests that the certificate herein sought be granted as an extension and enlargement of its existing rights and consolidated therewith.

As justification for the granting of the authority herein sought, applicant alleges that the "loop" operation proposed will enable it to serve the additional territory along Victoria Street between Base Line Avenue and Highland Avenue without detracting to any appreciable extent from the service along Palm Avenue. Applicant further alleges that the territory along Victoria Street has been built up considerably and is in need of transportation service.

No change in rates of fare or type of equipment on this line is contemplated but applicant does propose to change its scheduled service by eliminating the trip leaving San Bernardino at ll:10 A.M. for Patton and, also, the trip leaving Patton at 12:10 A.M. for San Bernardino.

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Additionally, it is proposed by Motor Transit Company to operate a round trip leaving San Bornardino at 8:00 P.M. for San Bernardino County Eospital and return leaving San Bernardino County Hospital at 8:13 P.M. for San Bernardino for the purpose of giving an added service to persons visiting the hospital in the evening and it is their expectation that this trip will be well patronized, conversely, the two trips to be eliminated are being discontinued for lack of patronage.

This appears to be a matter in which a public hearing is not necessary and, it further appearing, that the rerouting and extension sought is in the public interest, the application will be granted.

Motor Transit 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.

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ORDER

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREEY DECLARES that public convenience and necessity require the establishment and operation by Notor Transit Company of an 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 the intersection of Base Line Avenue and Victoria Street and the Patton State Hospital on Highland Avenue via Victoria Street and Highland Avenue as an extension and enlargement of its existing rights consolidated therewith and subject to all restrictions, conditions and limitations heretofore imposed thereunder.

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IT IS HERREPY ORDERED that a certificate of public convenience and necessity therefor be, and the same hereby is, granted to Motor Transit Company, 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.

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, a time schedule or 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 in the operation of its San Bernardino-Highland-Patton Line herein referred to Motor Transit Company shall operate over and along the following route:

SAN BERNARDINO-HIGHLAND-PATTON LINE

Commencing at Pacific Electric Southern Pacific Station, San Bernardino, located on 3rd Street between "E" and "F" Streets, east on 3rd Street, north on "E" Street, east on 4th Street, north on Mountain View Avenue, east on Base Line Avenue, north on Palm Avenue, west on Highland Avenue, south on Victoria Street to Base Line Avenue, thence to point of beginning via Base Line Avenue, Mountain View Avenue, 4th Street, "E" Street and 3rd Street.

Also, from the intersection of Base Line Avenue and Waterman Street, north on Waterman Street, east on Gilbert Street and south on Hospital Street to Base Line Avenue and return. The effective date of this order shall be five (5) days from the date hereof.

Dated at San Francisco, California, this <u>Sta</u> day of November, 1937.

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