Decision No. 30594

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ) PACIFIC GREYHOUND LINES, a corporation, ) for certificate of public convenience ) and nocessity to operate automotive ) stage service for the transportation of ) passengers, baggage and express between ) South San Bernardino and San Bernardino ) Junction.

Application No. 21674

BY THE COMMISSION:

## OPINION

By this application Pacific Greyhound Lines seeks a certificate of public convenience and necessity to establish and operate an automotive service as a common carrier of passengers, baggage and express between South San Bernardine (intersection of Colton Avenue., E Street and Mill Street) and San Bernardine Junction (intersection of E Street and State Route No. 26) as an extension and enlargement of applicant's existing rights and consolidated therewith.

Applicant agrees that the transportation of passengers, baggage and express under authority herein sought shall be restricted in accordance with the general Southern California restriction as set forth in Decision No. 23244, on Application No. 16989.

As justification for the granting of the certificate herein sought, applicant alleges that it is preparing to inaugurate through bus service between Los Angeles and points east of Redlands via its existing routes through Pasadena, San Bernardino, Colton and Redlands. It is further alleged that the routing of such schedules between San Bernardino and Redlands via Colton

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results in unnecessary backhaul with consequent additional mileage and loss of time. It now appears, according to applicant, that E Street in San Bernardino has been extended from its intersection with Colton Agenue and Mill Street (South San Bernardino) to a direct connection with State Route No. 26 (San Bernardino Junction) making a short, direct route between San Bernardino and Redlands without passing through the City of Colton.

Applicant proposes tariff revisions whereby tickets good between San Bernardino and points north and west thereof, and Redlands and points east thereof via Colton will be honored via the new direct route between South San Bernardino and San Bernardino Junction and has also filed a proposed time schedule as Exhibit B in the application.

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

Pacific Greyhound Lines 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 respects limited to the number of rights which may be given.

## <u>order</u>

IT IS EEREBY ORDERED that Pacific Greyhound Lines be and it is hereby authorized to establish and operate an automotive service, as a passenger stage corporation as such is defined in section 2-1/4 of the Public Utilities Act, for the transportation of passengers, baggage and express between

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South San Bernardino (intersection of Colton Avenue, E Street and Mill Street) and San Bernardino Junction (intersection of E Street and State Route No. 26) as an extension and enlargement of applicant's existing rights, consolidated therewith and subject to all conditions and restrictions heretofore imposed by Decision No. 23244, on Application No. 16989, and amondments thereto including the general Southern California restriction imposed therein and further subject to the restriction that

"In the transportation of express, no single package shall be accepted for shipment that weighs in excess of 100 pounds, and all express must be transported on passenger vehicles only, except as to property transported for or through the agency of Railway Express Agency, Inc., and milk and cream and empty containers of such commodities when being transported to or from a rail junction point in connection with rail transportation, to which said shipment, restriction as to weight and vehicle shall not apply."

IT IS HEREBY FURTHER ORDERED that a cortificate of public convenience and necessity therefor be, and the same hereby is, granted to Facific Greyhound Lines 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 Ceneral Orders and containing rates and rules which in volume and effect shall 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, a time schedule or time schedulos 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.

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

Dated at San Francisco, California, this <u>74</u> day of February, 1938.

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