Decision No. 31592

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CITIZENS TRANSIT COMPANY, a corporation, for a certificate of public convenience and necessity for the transportation of passengers as a common carrier between points in and adjacent to the city of San Buenaventura, California, as an extension of its present local service.

OMIGINAL

Application No. 22443

BY THE COMMISSION:

OPINION

This is an application by Citizens Transit Company, a corporation, for authority to establish and operate an automotive service as a common carrier of passengers between the following points, as an extension and enlargement of its existing rights and consolidated therewith:

> 1. Commencing at the present eastern terminus at the intersection of Catalina Street and Thompson Boulevard; thence southerly on Catalina Street to Ocean Avenue, thence easterly on Ocean Avenue to the intersection of Howard Street, in the city of San Buenaventura.

2. Commencing at the present northern terminus at Ventura Avenue and Vince Street; thence northerly on Ventura Avenue to the intersection of Comstock Drive, a point approximately two-tenths of a mile north of the present terminus in Ventura County.

As justification for the granting of the authority, applicant alleges that due to increased building activities there have been numerous requests for the proposed extension of service. In addition, a letter marked exhibit "C" from the City Manager of San Bueneventura is attached to the application and states that the city has no objection to applicant's proposed extension of service. Also attached

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to the application is a letter marked exhibit "A" from the Pacific Greyhound Lines stating that it has no objection to the granting of the instant application.

Citizens Transit Company proposes to add one bus to its present equipment for the purpose of rendering the proposed service and will make no changes in its rates or frequency of service. Applicant alleges that no other transportation service is available between the points proposed to be served.

This appears to be a matter in which a public hearing is not necessary and it further appearing that applicant's proposal is in the public interest the application will be granted ex parte.

Citizens 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.

ORDER

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by Citizens Transit Company of an automotive service for the transportation of passengers, as a passenger stage corporation as such is defined in section 2% of the Public Utilities Act, between the following points:

> 1. Commencing at the present eastern terminus at the intersection of Catalina Street and Thompson Boulevard; thence southerly on Catalina Street to Ocean Avenue, thence easterly on Ocean Avenue to the intersection of Howard Street, in the city of San Buenaventura.

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2. Commencing at the present northern terminus at Ventura Avenue and Vince Street; thence northerly on Ventura Avenue to the intersection of Comstock Drive, a point approximately two-tenths of a mile north of the present terminus in Ventura County,

as an extension and enlargement of its existing rights heretofore authorized in Decision No. 25010, dated August 1, 1932 on Application No. 18142, consolidated therewith and subject to all limitations and restrictions heretofore imposed thereunder.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same hereby is granted to Citizens 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, and shall file in triplicate, and concurrently make effective on not less than one 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 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 one 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, tansferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sald, lease, transfer or assignment has first been obtained.
- 5. No vehicle may be operated by applicant herein unless such vchicle 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 the date hereof. Dated at San Francisco, California, this <u>27</u>^{*Fh*} day of December, 1938.

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