In the Matter of the Application of )
PACIFIC GREYHOUND LINES, a corporation)
for a certificate of public convenience and necessity to operate a )
passenger bus service, as a common )
carrier, between North Standard )
Junction and Strawberry and Pinecrest,)
via State Route No. 13.

Application No. 22671

BY THE COMMISSION:

## OPINION

Pacific Greyhound Lines is now operating a passenger stage service between various points in California, including Sonora, and North Standard Junction.

In this application applicant requests a certificate as a passenger stage corporation authorizing the transportation of passengers, baggage and express between North Standard Junction and Strawberry and intermediate points through Pinecrest Junction and Long Barm, via State Route No. 13, and between Pinecrest Junction and Pinecrest and intermediate points, via the main highway, as an extension and enlargement of applicant's present operative rights. Applicant does not propose to transport express packages weighing in excess of one hundred pounds excepting shipments transported for or through the agency of Railway Express Agency, Incorporated, and milk and cream and empty containers therefor.

Daily service will be provided seasonally during the period from approximately May 15 to September 15 of each year. During the remainder of each year applicant proposes to give service only when traffic demands warrant operation.

As justification for the authority requested applicant alleges that operations in this territory are presently conducted by L. H. Sell, doing business as Dardanelle Stage Line, who has filed an application to abandon such service; that the granting of this application will result in a through service being rendered by Pacific Creyhound Lines to points on its system west of Sonora, direct to the resort area along State Route No. 13 and the main highway in the vicinity of Long Barn, Twain Harte, Strawberry and Pinecrest; that applicant will also be in a position to furnish a direct service to the snow area during the winter sports season.

It appears to be in the public interest to grant the application requested in order to provide service to and from the points presently served by Sell which he proposes to abandon.

It further appears that no hearing is necessary in this matter and 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 respect limited to the number of rights which may be given.

<sup>(1)</sup> The Commission issued its Decision, on Application No. 22670 of L. H. Sell on the same date as this decision, authorizing Sell to abandon his operations.

## THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by Pacific Greyhound Lines, as a passenger stage corporation as defined in section 22 of the Public Utilities Act, of an automotive passenger stage service for the transportation of passengers, baggage and express, between North Standard Junction and Strawberry and intermediate points, including Soulsbyville Junction, Long Barn, and Pinocrest Junction, over and along State Route No. 13, and between Finecrest Junction and Pincrest and intermediate points, via the main highway, as an extension and enlargement of the rights herotofore granted to applicant by Decision No. 23244, dated December 31, 1930, subject to the following conditions: 1. The authority herein granted shall lapse and be void if applicant shall not have complied with all of the conditions within the periods of time fixed herein unless, for good cause shown, the time shall be extended by further order of the Commission. The service herein authorized shall be operated between the approximate dates of May 15 and September 15 of each calendar year, and between the approximate dates of September 15 and May 15 of the following year when public convenience and necessity require. Applicant shall file a written acceptance of the certificate horein granted within a period of not to exceed fifteen (15) days from date hereof. Applicant shall commence the service herein authorized

4. 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.

5. 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 schodule or time schedules covering the service herein authorized in a form satisfactory to the Railroad Commission. 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. 7. No vehicle may be operated by applicant horein 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 the date hereof. Dated at San Francisco, California, this 2547 April, 1939. -4<u>-</u>