

Decision No. 32773

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of KEY)
SYSTEM, a corporation, for a Certificate)
of Public Convenience and Necessity to) Application No. 20582.
operate certain motor coach routes.)

BY THE COMMISSION:

ORIGINAL

SUPPLEMENTAL ORDER

Key System, a corporation, has filed a supplemental application in the above proceeding asking for a certificate of public convenience and necessity to operate a motor coach route between the Montclair District in the City of Oakland and the City and County of San Francisco over a route hereinafter described. Applicant proposes to pick up and discharge passengers between the intersection of LaSalle Avenue and Moraga Avenue and the intersection of Broadway and College Avenue, both points being in the City of Oakland. The operation between the intersection of Broadway and College Avenue and the San Francisco Terminal will be an express operation and no passengers will be picked up or discharged. Applicant does propose, however, to carry local passengers between the intersection of Broadway Terrace and Florence Avenue and the end of the line at LaSalle Avenue who may transfer to East Bay Transit Company's motor coach line at Broadway Terrace. The rates of fare proposed are the same as are now in effect.

It appears that this is not a matter in which a public hearing is necessary and that the application should be granted.

Key System 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.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by applicant, as a passenger stage corporation as defined in Section 2 $\frac{1}{2}$ of the Public Utilities Act, of an automotive passenger service for the transportation of passengers between and serving the following named termini:

From the intersection of LaSalle Avenue and Moraga Avenue in the City of Oakland, along Moraga Avenue to Harbord Drive, along Harbord Drive to Kodoc, along Kodoc Avenue to Florence Avenue, along Florence Avenue to Broadway Terrace, along Broadway Terrace to Broadway, along Broadway to Moss Avenue, thence via Moss Avenue along applicant's regularly certificated route via the San Francisco-Oakland Bay Bridge to applicant's motor coach terminal in the City and County of San Francisco.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same hereby is, granted to Key System subject to the following conditions:

- (1) No passengers shall be picked up or discharged between the intersection of Broadway and College Avenue in the City of Oakland, on the one hand, and San Francisco, on the other hand.
- (2) Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
- (3) 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.
- (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 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.

- (5) 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.
- (6) 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.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 30th day of

January, 1940.

Ray L. Riley
Frank D. ...
Robert ...
M. ...
Justin J. ...
Commissioners