

Decision No. 23683

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GREYHOUND LINES, a corporation,)
for a certificate of public convenience)
and necessity to operate an automotive)
stage service for the transportation)
of passengers, baggage and express be-)
tween Watsonville and Rob Roy Junction)
via Camp McQuaide, and to consolidate)
same with the remainder of applicant's)
system.)

Application No. 23683

ORIGINAL

BY THE COMMISSION:

O P I N I O N

Applicant Pacific Greyhound Lines, a corporation, is now providing a passenger stage service between Santa Cruz and Watsonville, via State Route 56 through Aptos and Rob Roy Junction as well as between other points within the state of California.

In this application applicant seeks a certificate of public convenience and necessity authorizing it to establish and operate a passenger stage service for the transportation of passengers, baggage and express between Rob Roy Junction and Watsonville, via Camp McQuaide, a military reservation, as an extension and enlargement of its present operative rights.

As justification for the authority sought, applicant alleges substantially as follows:

There is at the present time no common carrier passenger service between Watsonville and Camp McQuaide, nor between Camp McQuaide and Santa Cruz. Applicant proposes to provide such service by operating a local service between Watsonville, Camp McQuaide and Rob Roy Junction, thereby in connection with its

presently existing service providing service from Camp McQuaide to Watsonville, Santa Cruz and all other parts of its system. Applicant is informed that at the present time plans are under way to mobilize the California National Guard at Camp McQuaide for an intensive training period, and service over the proposed route will serve the public convenience and necessity at Camp McQuaide.

The only common carrier now serving Camp McQuaide is Southern Pacific Company which has informed the Commission, in writing, that it does not desire to offer any protest to the granting of this application.

This is not a matter in which a public hearing is necessary and the application appearing to be in the public interest 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.

O R D E R

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by Pacific Greyhound Lines, a corporation, of an automotive service as a passenger stage corporation, as defined in section 2 $\frac{1}{2}$ of the Public Utilities Act, for the

transportation of passengers, baggage and shipments of express weighing not to exceed one hundred pounds on passenger vehicles between Watsonville and Bob Roy Junction and intermediate points via Camp McQuaide, Ellicott and Cristo, over and along Beach Road and San Andreas Road, as an extension and enlargement of applicant's operative right heretofore created by Decision No. 23244, dated December 31, 1930.

IT IS ORDERED that a certificate therefor is hereby granted to Pacific Greyhound Lines, a corporation, 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.
2. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the effective 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 two (2) 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 triplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than two (2) 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.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 1st day of October, 1940.

Ray L. Rice
Frank R. Smith
Raymond J. ...
M. J. ...
Justus J. Caenen
COMMISSIONERS