

Decision No. _____

23803

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 between)
Elmwood and Paso Robles, via Stratford,)
Kettleman City and Cholame, and to con-)
solidate same with remainder of)
applicant's system.)

Application No. 23803

ORIGINAL

BY THE COMMISSION:

O P I N I O N

Pacific Greyhound Lines, applicant herein, requests a passenger stage certificate authorizing it to transport passengers, baggage, and express between Elmwood and Paso Robles and intermediate points, as an extension and enlargement of and to be consolidated with its existing rights, subject to all conditions and restrictions heretofore imposed therein. Applicant's purpose in seeking this certificate is to obtain a more direct route between Fresno and San Luis Obispo by connecting with its existing operations so that it may afford service to troops stationed at Camp Merriam, near San Luis Obispo, who desire transportation to San Joaquin Valley points over weekends.

The United States Army is constructing facilities at Camp Merriam to accommodate 20,000 troops, many of whom will be draftees assigned from points in the San Joaquin Valley. A written request that this application be granted was received from a Colonel in the 185th Infantry stationed at said camp. He urged favorable consideration for the following reasons: That the use of private automobiles will be held to a minimum; bus travel is safer than private

conveyance; and the men at the camp will be more contented while in training if afforded frequent opportunities to visit their homes.

There is no service presently available comparable with that applicant desires to render. Orange Belt Stages, Inc., operates a service which would bisect the proposed operation at certain points but would not be directly competitive. Orange Belt Stages, Inc., desires to connect its service with the proposed Pacific Greyhound Lines operation and has filed with the Commission a written request that the application be granted.

Applicant proposes to establish a weekly service leaving San Luis Obispo on Saturday and returning from Fresno on Sunday, during such time as troops are stationed at camps near San Luis Obispo and there is a demand for such service. A one-way fare of \$3.75 between San Luis Obispo and Fresno is contemplated with a round-trip fare of \$6.75. A round-trip fare of \$4.25 between San Luis Obispo and Fresno is proposed for parties of fifteen or more leaving Saturday and returning Sunday.

It is proposed to transport express according to the rules, regulations and charges as shown in Joint and Inter-Division Express Tariff No. Z-14, C.R.C. No. 1. It is proposed to transport baggage in accordance with rules, regulations, and charges shown in Local and Joint Baggage Tariff No. 500-F, C.R.C. No. 3, issued by L. G. Markel, Agent.

Full consideration has been given to this application. The Commission is of the opinion that this is a matter in which a public hearing is not necessary and that said application should 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 as to the number of rights which may be given.

O R D E R

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA having fully considered Application No. 23803 and the evidence pertaining thereto, hereby finds and declares that public convenience and necessity require the establishment and operation by Pacific Greyhound Lines of an automotive passenger stage service, as that term is defined in section 2-1/4 of the Public Utilities Act, for the transportation of passengers, baggage, and express over the following described route, to be consolidated with its existing operating rights:

Between Elmwood and Paso Robles via Camden, Hub, West Lemoore, Stratford, Kettleman City, Airline Crossing, Cottonwood Pass Junction, Cholame and Shandon.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Pacific Greyhound Lines authorizing it to operate an automotive passenger stage service for the transportation of passengers, baggage and express over the route hereinabove described, subject to the following conditions:

1. The authority herein granted shall lapse and be void if applicants shall not have complied with all 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 ten (10) 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 five (5) 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.

The authority granted herein shall become effective on the date hereof.

Dated at San Francisco, California, this 17th day of December, 1940.

Ray L. Riley
Frank M. Allen
W. J. Baker
Justice J. Cameron
 COMMISSIONERS