A. 25707 - G

Decision No. 26518

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of VICTORY TRANSIT COMPANY for certificate of public convenience and necessity to operate automotive bus service between The 13th, General Hospital Spadra, California and Pomona, California.

Application No. 25707

BY THE COMMISSION:

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Mario Pastrone, doing business as Victory Transit Company, has filed an application for a certificate of public convenience and necessity to establish and operate a passenger stage service between Pomona and the 13th General Hospital at Spadra.

The hospital is located on San Jose Road approximately eight miles from Pomona and two miles off Valley Boulevard. The service is designed to provide transportation for military personnel, patients and hospital nurses.

Applicant alleges that he is now operating, on a temporary basis, under contract with the hospital, and with the permission of the Office of Defense Transportation. According to applicant, his present operation is remunerative but he now desires to operate as a certificated carrier. Seven schedules perday are proposed to the hospital and six schedules to Pomonn. A one-way fare of fifteen cents will be charged. There is no common carrier providing passenger service between the points involved herein.

It appears that there is a public need for the service proposed herein and the application will therefore be granted. There is no justification for a public hearing.

. -1-

A. 25707 -

Mario Pastrone is placed upon notice that "operative rights" as such do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive espect, 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.

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Application having been made in the above entitled matter, and the Commission being fully advised, and hereby finding that public convenience and necessity so require,

IT IS ORDERED that a certificate of public convenience and necessity is hereby granted to Mario Pastrone authorizing the establishment and operation of a service as a passenger stage corporation, as defined by Section 27, Public Utilities Act, between Pomona and the 13th General Hospital at Spadra, subject to the following condition:

> The authority herein granted is subject to the provisions of Section 52(b) of the Public Utilities Act and further to the condition that Mario Pastrone, his successors or assigns, shall never claim before this Commission, or any court or other public body, a value for said operative rights or claim as the cost thereof, an amount in excess of that paid to the State as the consideration for such rights.

IT IS FURTHER ORDERED that in the operation of said passenger stage service, pursuant to the foregoing certificate, Mario Pastrone shall comply with and observe the following service regulations:

-2-

A. 25707 - G

- 1. 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.
- 2. Applicant shall comply with the provisions of General Order No. 79 and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective, tariffs and time schedules satisfactory to the Commission within sixty (60) days from the effective date hereof and on not less than five (5) days' notice to the Commission and the public.
- 3. Conduct said passenger stage service over and along the most appropriate route or routes subject to the authority of the Railroad Commission to change or modify them at any time by further order.

The effective date of this order shall be the date hereof. Dated at San Francisco, California, this _27 - day of -R N/ ., 1943. 11 12

-19

COMMISSIONERS