

Decision No. 36614

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 Con-) Application
venience and Necessity to operate certain street) No. 19502
railway and motor coach routes in the Counties) (64th Supplemental)
of Alameda and Contra Costa, State of California.)

BY THE COMMISSION:

OPINION AND ORDER

ORIGINAL

In this supplemental application Key System proposes to extend its No. 56 Seminary Avenue motor coach line to the Naval Hospital at Oak Knoll in order to provide service between downtown Oakland and the hospital for its personnel and patients.

In order to provide this service route it will be necessary to suspend service on the most easterly end of the No. 56 line on Greenly Drive between ~~Keeler~~^{Keller} Avenue and Shone Avenue. The extension would commence at the intersection of Greenly Drive and ~~Keeler~~^{Keller} Avenue; thence via ~~Keeler~~^{Keller} Avenue and Mountain Boulevard to the entrance to Oak Knoll Hospital; thence via private road to a point within the reservation. This extension of service would be approximately 1.2 miles of route.

It appears that the extension is necessary to provide service to the naval hospital and that the application should be granted without first holding a public hearing.

Applicant 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 granting of such rights. 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.

IT IS HEREBY ORDERED that:

I. A certificate of public convenience and necessity be and it is hereby granted to Key System as a passenger stage corporation, as defined in Section 2½ of the Public Utilities Act, for the transportation of passengers between the intersection of Greenly Drive and Keller Avenue and Oak Knoll Naval Hospital, all within the City of Oakland, as an extension and enlargement of its present operative rights and consolidated therewith, subject to the following conditions:

- (1) The service herein authorized shall be commenced within a period of not to exceed sixty (60) days from the date hereof.
- (2) The authority herein granted is subject to the provisions of Section 52(b) of the Public Utilities Act and further to the condition that Key System, its 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.

II. In the operation of said passenger stage service pursuant to the foregoing certificate, Key System shall comply with and observe the following service regulations:

- (1) Applicant shall file a written acceptance of the certificate herein granted within thirty (30) days from the effective date hereof.
- (2) Subject to the authority of this Commission to change or modify such at any time by further order, Key System shall conduct such passenger stage operation over and along the following described route, as an extension of its No. 56 Seminary Avenue motor coach line:

From the intersection of Greenly Drive and Keller Avenue, via Keller Avenue to Mountain Boulevard; Mountain Boulevard to the entrance to the Oak Knoll Naval Hospital; and thence via private road to a point within the naval reservation; returning via the same route.

- (3) 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 one (1) day's notice to the Commission and the public.

- (4) Applicant is authorized to turn its motor vehicles at termini or intermediate points, either in the intersection of the streets or by operating around a block contiguous to such intersection in either direction, and to carry passengers as traffic regulations of the municipality may require.

III. Key System is authorized to suspend service on that portion of its No. 56 Seminary Avenue motor coach line in Greenly Drive between Keller Avenue and Shone Avenue in the said City of Oakland. Said suspension of service shall become effective concurrently with the establishment of service herein authorized.

The Commission reserves the right to make such further orders in this proceeding as to it may seem just and proper, and to revoke this authority in whole or in part if in its opinion public convenience and necessity demand such action.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 21st day of September, 1943.

Francis A. Havenner
M. B. Burt
Richard L. Baker
Ernest C. Berry
Commissioners