

Decision No. 37052

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
EDWARD C. MCKINSTRY, doing business)
under the firm name and style of)
VICTORY BUS LINES, for certificate of)
public convenience and necessity to)
operate passenger bus service between)
Santa Ana, California, and the)
Douglas Aircraft Corporation's plant)
at Lakewood Village, California.)

ORIGINAL

Application No. 26028

BY THE COMMISSION:

O P I N I O N

This is an amended application by Edward C. McKinstry, doing business as Victory Bus Lines, for a certificate of public convenience and necessity to operate as a passenger stage corporation, as defined in Section 2½ of the Public Utilities Act, between Santa Ana, Orange and points south and east of the intersection of Lincoln Avenue and Huntington Beach Boulevard, on the one hand, and the North Long Beach plant of Douglas Aircraft Corporation in Lakewood Village, on the other hand. No local service is contemplated and no points in the city of Anaheim nor on Lincoln Avenue or Carson Avenue are to be served.

The application alleges that many of the employees of Douglas Aircraft plant at Lakewood Village reside in and around the cities of Santa Ana, Orange, Garden Grove and Stanton and that they are without public transportation to and from their work. Restrictions on gas and tires make it difficult for them to use their own automobiles.

Applicant owns five buses, three of which he will use in rendering the proposed service if established. The service will be

limited to employees of the Douglas plant and applicant estimates that he can provide transportation for approximately 225 employees. The schedules are arranged to coordinate with the working shifts of employees of the plant. The buses will start from Santa Ana and alternately operate via Garden Grove, Orange and Stanton, picking up or discharging passengers destined to or coming from the plant.

The fare between Santa Ana, Orange and Garden Grove, on the one hand, and the Douglas plant, on the other hand, is \$2.50 per week, for one round-trip daily, including Sunday. Between Stanton and the plant the rate is \$2. The distance between Santa Ana and the plant is approximately twenty-five miles.

Loren W. Smith, who maintains a passenger stage service between Ontario and the Douglas plant, operates along Lincoln Avenue and Carson Avenue, but applicant does not propose to pickup or discharge passengers on those streets. With this restriction no protest is made by Smith. No public carrier operation will be affected by the establishment of the proposed service.

A review of the record herein appears to justify the conclusion that the service proposed is a necessary one, and is in the public interest. The application will therefore be granted.

Edward A. McKinstry 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 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

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

IT IS ORDERED as follows:

(1) That a certificate of public convenience and necessity is hereby granted to Edward A. McKinstry authorizing the establishment and operation of service as a passenger stage corporation, as defined in Section 2 $\frac{1}{2}$ of the Public Utilities Act, for the transportation of passengers between Santa Ana, Orange and points south and east of the intersection of Lincoln Avenue and Huntington Beach Boulevard, on the one hand, and the North Long Beach plant of Douglas Aircraft Corporation in Lakewood Village, on the other hand, subject to the following restriction:

No passengers shall be transported whose point of origin or point of destination is within the city limits of Orange, nor on or along Lincoln Avenue or Carson Avenue.

(2) That in providing service pursuant to the foregoing certificate, the following service regulations shall be observed:

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, appropriate 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. Subject to the authority of the Commission to change or modify them at any time by further order applicant shall conduct said passenger stage service over and along the following routes:

Bus No. 1

Leaves St. Andrews and South Main Streets in Santa Ana, and travels north on Main Street to Santa Clara Street; thence west to Flower Street; thence north to Ocean Avenue; thence west on Ocean Avenue to Euclid Avenue; thence north on Euclid Avenue to Lincoln Avenue; thence west on Lincoln Avenue and Carson Boulevard, an extension of Lincoln Avenue, to Lakewood Village.

Bus No. 2

Leaves St. Andrews and South Main Streets in Santa Ana, and travels north on Main Street to Chapman Avenue; thence east on Chapman Avenue to Glassell Street in the city of Orange where it turns around and goes west on Chapman Avenue to Manchester Boulevard; thence northwest on Manchester Boulevard to Lincoln Avenue; thence west on Lincoln Avenue and Carson Boulevard, an extension of Lincoln Avenue, to Lakewood Village.

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

Dated at San Francisco, California, this 12th
day of May, 1944.

Richard L. Havenner

Francis D. Havenner
Commissioner

Francis D. Havenner
COMMISSIONERS