

ORIGINAL

Decision No. 227080

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
JAMES R. PROPER, doing business as)
LOS ANGELES-TRONA STAGES, for a)
certificate of public convenience and)
necessity to operate a passenger stage)
line between Trona and Valley Wells,)
San Bernardino County.)

Application No. 26140

BY THE COMMISSION:

OPINION

James R. Proper has requested the Commission to grant to him a certificate authorizing the establishment and operation of a passenger stage service between Trona and Valley Wells, and intermediate points, as an extension and enlargement of his present operation between Los Angeles and Trona, and other points not involved herein.

The proposed operation is designed to provide a passenger stage service for the employees of the American Potash & Chemical Corporation and their families and other residents of the Trona area to enable them to utilize and enjoy the out-door swimming pool maintained and operated by the Chemical Corporation at Valley Wells during the summer months. The application states that the Chemical Corporation has about 1400 employees at its Trona plant who, with their families aggregate about 2600 people which comprises approximately the entire population of the Trona area. The region involved is subject to conditions of extreme heat during the summer months. There is a minimum of recreational and out-door pleasure facilities available to the residents of the Trona district. One of such facilities is the large out-door swimming pool which the

Corporation maintains at Valley Wells for the use of the residents without charge. The proposed period of operation would be seasonal in character between approximately May 1 and August 21 of each year. It is stated that there is no other public carrier between the points involved.

Valley Wells is approximately six miles northwesterly of Trona. The proposed one-way fares for adults and children under sixteen years of age are ten cents and five cents, respectively. The round trip fares would be double the one-way fares. Individual 35-ride commutation tickets good for the season would be sold for \$1.50. A similar commutation ticket to be used by a man or his wife would be sold for \$2. A family 35-ride commutation ticket good for the season, useable by any member of the family, would be sold for \$2.50.

Applicant proposes to operate six round-trips daily which would involve a total of approximately 72 miles of operation. Application for a certificate is made at the request of the Chemical Corporation above referred to. The application states that such Corporation and applicant are of the opinion that the proposed fares would probably not be sufficient to meet the cost of applicant in providing the service. The Chemical Corporation has agreed to subsidize the operation to the extent of \$300 a month regardless of the gross revenue derived. Payments to applicant in excess of \$300 a month to and including \$500 a month would be made upon a scale as indicated in the margin.

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|-----|-------|-------------|------------|-------|-------|----------|----|------|------|--------|
| (1) | \$300 | a month | regardless | of | gross | revenue. | | | | |
| | \$350 | for a month | during | which | gross | revenue | is | less | than | \$600. |
| | \$400 | " | " | " | " | " | " | " | " | \$550. |
| | \$450 | " | " | " | " | " | " | " | " | \$500. |
| | \$500 | " | " | " | " | " | " | " | " | \$450. |

Applicant asserts that it is his belief that under the proposed fares and the subsidy payments the operation will be compensatory and he is, therefore, willing to establish the service requested.

It is our opinion that the operation proposed by applicant is in the public interest and should be authorized. No public hearing is necessary.

James R. Proper 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

An application therefor having been filed and it being hereby found 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 James R. Proper authorizing the establishment and operation of service as a passenger stage corporation, as defined in Section 2 $\frac{1}{4}$ of the Public Utilities Act, for the transportation of passengers between Trona and Valley Wells, and intermediate points, from approximately May 1 to approximately

August 31 of each year, as an extension and enlargement and consolidated with the operative right heretofore created by the Commission's Decision No. 35970, rendered November 18, 1942.

(2) That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

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 within 60 days from the effective date hereof and on not less than 1 day's notice to the Commission and the public.
3. Subject to the authority of this Commission to change or modify it by further order, applicant shall conduct operations, pursuant to the certificate herein granted, over and along the following route:

Over and along the county road between Trona and Valley Wells.

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

Dated at Los Angeles, California, this 31st day of May, 1944.

Richard H. Baker
Justin F. Craven
Francis W. Owen

COMMISSIONERS