

Decision No. 37113

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
W. PAUL BUTLER, doing business under )  
the firm name and style of RIVERSIDE )  
RAPID TRANSIT LINES, for a certificate )  
of public convenience and necessity to )  
operate an automotive stage service for )  
the transportation of passengers and )  
baggage between the United States Navy )  
Hospital at Norco, California to Los )  
Angeles, via Hamner Avenue in Riverside )  
County to U. S. Highway #60 in San )  
Bernardino County, to Los Angeles via )  
U.S. Highway #60 to 6th and San Julian )  
Streets, Los Angeles, California. )

Application No. 26037

BY THE COMMISSION:

O P I N I O N

W. Paul Butler an individual, doing business as Riverside Rapid Transit Lines, operates a common carrier passenger service between Riverside and Corona, via Norco, and the United States Naval Hospital. In the above entitled application he requests authorization to transport passengers "on-call" between the said United States Naval Hospital and Los Angeles, a distance of approximately fifty-two miles.

The application alleges there is no common carrier passenger stage service operating between the United States Naval Hospital at Norco and Los Angeles except such as is provided along U. S. Highway No. 60. This service is rendered by Pacific Greyhound Lines and Santa Fe Transportation Company. The hospital is located six and one-half miles south of U. S. Highway No. 60.

It is approximately four miles from the Hospital to the city of Corona from which point Pacific Electric Railway Company and The Atchison, Topeka and Santa Fe Railway Company operate rail

services to Los Angeles. Applicant has heretofore been authorized to operate between the Hospital and the city of Corona. It is not proposed to handle any local passengers between the Hospital and Los Angeles. The only fare proposed is a round-trip of \$2.

The United States Naval Hospital at Norco is an accredited unit of the United States Navy where there is stationed a large navy personnel and a considerable number of civilian employees. The United States Naval Medical Officer in command of the Hospital states that the proposed service would be of great value to this institution in view of the fact that present transportation facilities are "very limited and entirely unsatisfactory."

Pacific Electric Railway Company and M. C. Yahnke, doing business as Inland Stages, are not opposed to the granting of the application provided passengers are transported only between United States Navy Hospital and Los Angeles, and that no intermediate service is rendered on said route. The Atchison Topeka and Santa Fe Railway Company likewise waives protest with the understanding that applicant's service is to be limited to the transportation of military personnel and government employees located at the Hospital.

The service as proposed appears to be a necessary one and the application will, therefore, be granted. A public hearing on the matter is not required.

W. Paul Butler 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:

(1) That a certificate of public convenience and necessity is hereby granted to W. Paul Butler authorizing the establishment and operation of a passenger stage service, as defined in Section 2 $\frac{1}{2}$ , Public Utilities Act, for the transportation of passengers and baggage between the United States Naval Hospital at Norco and the city of Los Angeles, subject to the following restrictions:

- (a) Service shall be limited to the transportation of military personnel and government employees located at said United States Naval Hospital.
- (b) No service shall be rendered to, from or between any points intermediate to the United States Naval Hospital and the city of Los Angeles.

(2) That in the operation of service pursuant to the foregoing certificate, W. Paul Butler 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, 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.
- 3. Subject to the authority of this Commission to change or modify it at any time by further order, applicant shall conduct said passenger stage service over and along the following route:

From the United States Naval Hospital adjacent to the town of Norco, via Hamner Avenue through Riverside and San Bernardino Counties to the junction of Hamner Avenue and Adams and United States Highway No. 60, thence to Los Angeles via United States Highway No. 60 to Sixth and Julian Streets in the city of Los Angeles.

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

Dated at San Francisco, California, this 6<sup>th</sup> day of June, 1944.

Richard L. Baker  
Justice J. Coenen  
Frank L. Havens  
Frank W. Dean  
Walter J. Ducee  
 COMMISSIONERS