

Decision No. 37301

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of MARY MARITZEN and E. B. OSTHUES, a co-partnership, doing business under the firm name and style of THE MODESTO TRANSIT COMPANY, for a certificate of public convenience and necessity to operate bus service as a common carrier of passengers, baggage, and express between the city of Modesto, Stanislaus County, California and the Vernalis Guayule project, now known as the Hammond-Vernalis Reconditioning Camp in San Joaquin County, California, and all intermediate points.

ORIGINAL

Application No. 26259

BY THE COMMISSION:

O P I N I O N

In this proceeding, Mary Maritzen and E. B. Osthues, copartners doing business as The Modesto Transit Company, seek a certificate of public convenience and necessity, under Section 50½, Public Utilities Act, authorizing the operation of a passenger stage service between Modesto and the Hammond-Vernalis Reconditioning Camp, situated 16.5 miles west of Modesto near the junction of State Highways Nos. 33 and 132, in San Joaquin County. Under the application, as amended, no intermediate points would be served. At the reconditioning camp, which is maintained in conjunction with Hammond General Hospital at Modesto, Army personnel and civilian employees numbering about 1,000 will be quartered. To accommodate their needs, a transportation service such as that proposed is essential, so applicants state. The establishment of the service has been requested by the Commanding Officer in charge of Hammond General Hospital and Hammond-Vernalis Reconditioning Camp.

Applicants now conduct a passenger stage service between Modesto and Hammond General Hospital, and also between Modesto and Modesto Municipal Airport, under certificates previously granted by the Commission. ⁽¹⁾ To provide the service herein proposed two 29-passenger busses will be used. A single one-way fare of 25 cents will be published.

Pacific Greyhound Lines, which now operates over the route described, serving Modesto and Vernalis and the intermediate ⁽²⁾ territory, objected to applicants' original proposal to serve intermediate points in addition to the terminals themselves. Applicants having amended the application so as to limit their service to the terminals alone, Pacific Greyhound Lines thereupon withdrew its objections.

In our judgment a public need exists for the establishment of the service and, accordingly, the application will be granted. This is not a matter requiring a public hearing.

Mary Maritzen and E. B. Osthues are hereby 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.

(1) Decision No. 35800, as amended, in Application No. 25232; and Decision No. 37024, in Application No. 25846.

(2) Decision No. 28799, in Application No. 20502.

O R D E R

Application having been made as above entitled; and the Commission now finding that public convenience and necessity so require,

IT IS ORDERED as follows:

(1) That a certificate of public convenience and necessity be and it hereby is granted to Mary Maritzen and E. B. Osthus, copartners doing business as The Modesto Transit Company, authorizing the establishment and operation of a service as a passenger stage corporation, as defined by Section 2 $\frac{1}{2}$, Public Utilities Act, for the transportation of passengers, baggage and express between Modesto and Hammond-Vernalis Reconditioning Camp situated approximately 16.5 miles west of Modesto, in San Joaquin County, near the junction of State Highways Nos. 33 and 132. Said service shall be consolidated with applicants' existing passenger stage operations.

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

1. Applicants 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. Applicants 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 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 the Commission to change or modify them by further order, applicants shall conduct operations, pursuant to the certificate herein granted, over and along the following route:

- (a) Commencing at the intersection of 12th and I Streets, in Modesto; south on 12th Street to H Street; west on H Street to 5th Street; north on 5th Street to its intersection with Maze Road, also designated as State Highway No. 132; west on State Highway No. 132 to Hammond-Vernalis Reconditioning Camp, situated approximately 16.5 miles west of Modesto.
- (b) Returning from Hammond-Vernalis Reconditioning Camp; east on State Highway No. 132 to its intersection with 5th Street in Modesto; south on 5th Street to I Street; east on I Street to its intersection with 12th Street.

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

Dated at San Francisco California, this 29th day of August, 1944.

Richard L. Laska
Justus F. Craven
Francis K. Havens
Frank A. Loom
John H. Ponce
 COMMISSIONERS