

Decision No. 38314

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)	
SAN DIEGO ELECTRIC RAILWAY COMPANY,)	
a corporation, for a certificate of)	
public convenience and necessity to)	Application No. 26962
restore passenger bus service on ap-)	
plicant's Route Kl bus line in the)	
City of San Diego.)	

BY THE COMMISSION:

ORIGINAL

O P I N I O N

By Decision No. 37737, dated March 20, 1945, applicant was granted a certificate of public convenience and necessity authorizing it to establish and operate a service as a passenger stage corporation for the transportation of passengers within and adjacent to San Diego, on and along several routes including Route Kl, as follows:

"ROUTE Kl
Commencing at the intersection of National Avenue and 32nd Street; thence along 32nd Street to the United States Naval Repair Base (formerly called United States Destroyer Base)."

By Decision No. 37955, dated June 5, 1945, this Commission ordered Decision No. 37737 amended in several respects including an amendment eliminating and striking out "the description of Route K-1 (sheet 5 of said Decision No. 37737)."

Applicant had requested authority to abandon its Route Kl service on the ground that such service was solely for the purpose of transporting workers to and from the United States Naval Repair Base and that such service would no longer be needed on account of the diversion of part of applicant's

Route N bus service to Harbor Drive.

As justification for the reestablishment of said service applicant states that a federal housing project has recently been completed in the vicinity of 46th Street and Logan Avenue; that numerous Naval personnel employed at the Repair Base have moved into said housing project with their families; and that public convenience and necessity now require a restoration of bus service along said route in order to transport workers and Naval personnel between the Repair Base and their homes.

Applicant proposes McCandless Boulevard as the southern terminus of said Route K1 because said boulevard is approximately 200 feet from Harbor Drive, along which the Repair Base is situated, and a closer approach would involve crossing the main line tracks of both the Atchison, Topeka and Santa Fe Railway Company and San Diego and Arizona Eastern Railway Company, and because buses cannot be turned around in the intersection of 32nd Street and Harbor Drive.

Applicant proposes the same fares and type of service previously in effect. No other carrier will be affected by the reestablishment of said service.

It appearing that the reestablishment of bus service over said Route K1 will be in the public interest, the application will be granted. A public hearing is not necessary.

San Diego Electric Railway Company is 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.

O R D E R

Application therefor having been filed, the Commission being duly advised in the premises, and it being hereby found that public convenience and necessity so require,

IT IS HEREBY ORDERED:

(1) That a certificate of public convenience and necessity be, and it is hereby, granted to the San Diego Electric Railway Company, a corporation, authorizing the establishment and operation of service as a "passenger stage corporation", as defined in Section 2½ of the Public Utilities Act, for the transportation of passengers between the intersection of National Avenue and 32nd Street (National City) and the intersection of McCandless Boulevard and 32nd Street and intermediate points, as an extension and enlargement of and consolidation with the operative rights heretofore granted by the Commission's Decision No. 37737, dated March 20, 1945, as amended by Decision No. 37955, dated June 5, 1945.

(2) That in providing service pursuant to the foregoing certificate, San Diego Electric Railway Company shall comply with and observe the following service regulations:

- (a) 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.
- (b) 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 sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and the public.

- (c) 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:

Beginning at the intersection of National Avenue and 32nd Street (National City), thence along 32nd Street to its intersection with McCandless Boulevard.

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

Dated at San Francisco California, this 19th day of October, 1945.

Harold C. Anderson
Justice F. Casner
Frank W. Cron
Samuel J. Powell
COMMISSIONERS