

Decision No. 39341

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

**ORIGINAL**

In the matter of the Application of ROSCOE D. RICE and CLARENCE W. MURRY, copartners doing business as RICE and MURRY TRANSPORTATION SYSTEM, for a certificate of public convenience and necessity to operate a motor bus service as a common carrier of passengers (1) in the city of Merced and its environs; and (2) between Merced and Yosemite Lake.

Application No. 27380

O P I N I O N

Roscoe D. Rice and Clarence W. Murry, doing business as Rice and Murry Transportation System, seek a certificate authorizing the establishment and operation of service as a passenger stage corporation between Merced and the contiguous suburban area known as East Merced. They also request a certificate between Merced and Yosemite Lake, a resort about ten miles north of Merced. No service is proposed to, from or between points situated between Merced and Yosemite Lake.

Applicants assert they have available two Ford transit type buses, 1946 model; with a seating capacity of 27 passengers each. Service between Merced and contiguous points would be operated daily from about 6 a.m. until 7 p.m., except that on Sundays and holidays such service would be provided between approximately 9 a.m. and 6 p.m. A local cash fare of 10 cents is proposed. Twenty ride coupon books would be sold to school children at \$1.50 each, to be used for traveling to and from school on school days. Service between Merced and Yosemite Lake, which is a pleasure

resort, would be operated on Sundays and holidays only during the season from approximately June 1 to approximately November 30. The proposed one-way and round-trip fares between Merced and the Lake are 35 cents and 65 cents, respectively.

As justification for the authority sought, the application states that Merced and East Merced respectively, have populations of about 12,000 and 3,000 which are in need of public transportation. The only public transportation available other than taxicabs is that provided by applicants over a regular route wholly within the corporate limits of Merced for which certification is herein requested. According to the application, Yosemite Lake is a recreational area used by the people of Merced for swimming, boating, fishing and general recreation. There is no public transportation between Merced and Yosemite Lake.

After full consideration of applicants' request, we conclude there is a public need for the service proposed which will be authorized. No public hearing is necessary.

Roscoe D. Rice and Clarence W. Murry 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.

O R D E R

An application therefor having been filed and it having been 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 Roscoe D. Rice and Clarence W. Murry, partners, 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 Merced and East Merced and intermediate points, and between Merced and Yosemite Lake.

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

- a. Applicants shall file a written acceptance of the certificate herein granted within a period of not to exceed 30 days from the effective date hereof.
- b. Within 60 days from the effective date hereof and on not less than 5 days' notice to the Commission and the public, applicants shall establish the service herein authorized and 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 tables.
- c. Subject to the authority of this Commission to change or modify them by further order, applicants shall conduct operations, pursuant to the certificate herein granted, over and along the following routes:

Within Merced and between Merced and East Merced Commencing at First and R Streets, along R Street, Thirteenth Street, J Street, Seventeenth Street, P Street, Twenty-Second Street, M Street, Twenty-Sixth Street, Fourth Avenue, Twenty-Seventh Street, G Street, Yosemite Highway, Highland Drive, Bennett Ranch Road, Seventeenth Street, Calimyrna Street, Eighteenth Street, G Street, Seventeenth Street to J Street.

Between Merced and Yosemite Lake  
Over and along Six Mile Grade, Yosemite Road  
and Bellevue Road.

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

Dated at Los Angeles, California, this 27<sup>th</sup> day  
of August, 1946.

Harold P. Huls

Justin F. Casner  
Wm. W. Wray

Wm. H. Hoover

R. F. Johnson  
Commissioners