

Decision No. 43052

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
STUART JAMES LULL for certificate)	Application No. 30229
to operate passenger service between)	
Lucerne Valley and Victorville.)	

William J. Johnstone, for applicant.

O P I N I O N

Applicant requests authority to conduct a passenger stage service as a common carrier between Lucerne Valley and Victorville, California, over and along State Highway 18.

A public hearing was held at Victorville, on June 6, 1949, before Examiner Rowe, at which time evidence was adduced, and the matter was submitted for decision.

According to the testimony of Mr. Lull, he has a contract with the United States Government to carry the mail between the above-named points. In the performance of this contract, applicant uses a 1948 Plymouth station wagon which is capable of accommodating a few passengers in addition to the mail sacks.

Approximately three persons are expected to be carried daily in this manner, with an anticipated gross revenue of \$95 per month. The total estimated expense per month of two round trips per day aggregates \$230, including depreciation of the station wagon. However, this expense, except for a slight

increase in insurance premiums, is the cost of his present operation in carrying the mail. This expense will be incurred regardless of whether passengers are carried. Consequently, most of this monthly income of \$95 would constitute an increase in the gross operating income of the entire operation, with practically no increase in costs.

Mr. Lull also testified that he had received many requests from the public to institute this service. Quite a few people had stated to him that they would, on occasion, use the proposed service. Three witnesses appeared and testified that they would avail themselves of the service if it were offered. These people also stated that they had ridden with Mr. Lull over the route and had found the service good.

From the testimony of Mr. Lull, it is obvious that the operation of this passenger stage service would not be feasible if carried on otherwise than in conjunction with his contract to carry the mail. Upon full consideration of all the facts of record we find the proposal of applicant to be in the public interest and the authority requested will be granted.

Stuart James Lull 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.

Upon full consideration of the record in this proceeding, the Commission finds as a fact that public convenience and necessity require the establishment of passenger stage service between Lucerne Valley and Victorville, California.

O R D E R

Public hearing having been held in the above-entitled proceeding, the Commission being fully advised in the premises, and having found that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to Stuart James Lull, authorizing the establishment and operation of service as a "passenger stage corporation," as defined in Section 2 1/4 of the Public Utilities Act, for the transportation of persons between Lucerne Valley and Victorville, in the County of San Bernardino, and intermediate points, subject to the following condition:

Passengers shall be carried only in equipment while being used in the operation of carrying the mail under contract with the United States Post Office Department between said points.

(2) That in providing service pursuant to the certificate herein granted, there shall be compliance with 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 after the effective date hereof.
- (b) Applicant shall, within sixty (60) days after the effective date hereof and upon not less than five (5) days' notice to the Commission and to the public, 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, tariffs and time schedules satisfactory to the Commission.
- (c) Subject to the authority of this Commission to change or modify such at any time, Stuart James Lull shall conduct said passenger stage operation over and along State Highway No. 16.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 28th day of June, 1949.

R. B. Johnson
Justin F. Casper
James H. Quinn
Harold A. Kull
Kenneth Potter
 COMMISSIONERS