

ORIGINAL

Decision No. 45886

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
ROSCOE R. DEATON, doing business as)	
YUCAIPA VALLEY STAGE, for certificate)	
of public convenience and necessity)	Application No. 32306
to operate a passenger service as a)	
common carrier between Yucaipa,)	
Calimesa and Redlands, California.)	

Rex W. Cranmer, attorney at law, for applicant.
R. E. Thomas for Pacific Greyhound Lines; L. H. Myers for Redlands Chamber of Commerce; Clarence A. Martin for the Business Men's Association of Yucaipa Valley; interested parties.

O P I N I O N

The applicant requests that the Public Utilities Commission of the State of California grant him a certificate of public convenience and necessity authorizing the performance of a service as a passenger stage corporation transporting passengers only between the Yucaipa Valley and Redlands, a total distance of 10.2 miles, including intermediate points except points along U. S. Highway No. 99 between Redlands and Yucaipa Boulevard, and to make a loop in Yucaipa, operating a total additional distance of 6.5 miles.

A public hearing on the application was held in Redlands on June 7, 1951, before Examiner Rogers, at which time and place evidence was presented and the matter was submitted for decision.

One hundred and seventy-four residents of the Yucaipa Valley appeared at the hearing in support of the application. Prior to the hearing, 215 residents of the valley addressed communications either to the Commission or to applicant's attorney, urging that the applicant be given the authority he has requested ⁽¹⁾. The greater number of the persons who appeared at the hearing were signatories of the aforesaid communications, but, barring duplication, approximately 250 residents of the valley, either by personal appearance at the hearing, or by written communication, have expressed their desire that the proposed service be authorized. There was no protest to the granting of the authority requested.

The Pacific Greyhound Lines, which carries passengers over the portion of the route proposed between Redlands and Yucaipa Boulevard along U. S. Highway No. 99, waived any objections to the proposed service, and the California State Department of Public Works informed the Commission by letter that it has no objection to the granting of the authority, subject to the restriction requested by the application.

By Decision No. 45453, dated March 13, 1951, on First Supplemental Application No. 31455, David E. Hauk was given authority to abandon passenger stage service between Redlands and Yucaipa, as well as service in the City of Redlands. Among other things, that decision recites that:

"Upon full consideration of the record in this proceeding, it is found as a fact that applicant is financially unable to continue this operation, and that applicant's said motor bus operation in and around Redlands and between said city and Yucaipa has not been, and cannot by him, be made profitable, and that consequently the public interest will not be affected adversely."

(1) Exhibit No. 2.

That decision further recites that the applicant herein appeared and submitted evidence that there was a need for bus service between Redlands and Yucaipa, and that many witnesses appeared in support of an anticipated application by the applicant herein for authority to operate that bus service.

In the instant proceeding the evidence shows that the applicant has a gross income of \$1,110 per month, consisting of \$800 per month for the operation of a school bus, \$210 per month as constable of Yucaipa, and \$100 per month as mileage compensation. Out of this income he pays \$120 per month to part-time school bus drivers, \$150 per month for gas and oil, \$150 per month as expenses from his employment as a constable, and \$200 for insurance and miscellaneous expenses, a total of \$620 per month in expenses, which leaves him a net income of \$490 per month. He also has, as shown by Exhibit E attached to the application, net assets of \$36,920. Applicant estimated that it will cost him from \$20 to \$22 per day to operate the proposed service. In order to meet this expense he will be required to transport from 100 to 120 passengers per day at 20 cents each. He stated that he is willing to finance the proposed operation and to keep it in operation for at least six months, even if the operation loses money, and that he will not abandon service without the consent of the Commission.

The uncontradicted evidence of record shows that there is no public transportation for persons between Redlands and Yucaipa Valley; that there is no public transportation for persons in the valley; and that there are about 8,000 people in the valley who need and desire a public passenger stage service both in Yucaipa Valley and between the valley and Redlands.

Applicant is not inexperienced in public transportation in that at the present time he is operating a school bus in the valley, and has adequate finances with which to provide and maintain proper equipment. He proposes a minimum fare of 10 cents, and a maximum fare of 30 cents, with three fare-break points, and has submitted a time schedule to be placed in effect if the authority requested is granted.

Upon the facts set forth hereinabove, we find that public convenience and necessity require that Roscoe R. Deaton, doing business as Yucaipa Valley Stage, establish and operate services as a passenger stage corporation, as hereinafter set forth, and, therefore, the application will be granted.

Roscoe R. Deaton 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 having been filed, 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 Roscoe R. Deaton, doing business as Yucaipa Valley Stage, authorizing the establishment and operation of a service as a passenger stage corporation, as defined in Section 2 $\frac{1}{2}$ of the Public Utilities Act, for the transportation of persons between the intersection of Orange Street and Oriental Avenue in the City of Redlands, on the one hand, and the intersection of County Line Road and California Street in Yucaipa, on the other hand, and intermediate points.

(2) That, in providing service pursuant to the certificate herein granted, there shall be compliance with the following service regulations:

- (a) Within thirty (30) days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted.
- (b) Within sixty (60) days after the effective date hereof, and upon not less than five (5) days' notice to the Commission and the public, applicant shall establish the service herein authorized and comply with the provisions of General Order No. 79 and Part 19 of General Order No. 98, 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, Roscoe R. Deaton, doing business as Yucaipa Valley Stage, shall conduct said passenger stage operation over and along the following-described routes:

Redlands-Yucaipa Route -

From Oriental Avenue along Orange Street, Stuart Avenue, Fifth Street, U. S. Highway No. 99, Yucaipa Boulevard, Seventeenth Street, Avenue E, Twelfth Street,

Yucaipa Boulevard, Bryant Street,
Avenue E and California Street to
County Line Road.

Also, from California Street along
County Line Road, Fifth Street,
Avenue E and California Street to
Yucaipa Boulevard.

Also, from Fifth Street in Redlands,
along U. S. Highway No. 99 and Orange
Street to Oriental Avenue.

Applicant is authorized to turn
his motor vehicles at termini
and intermediate points, in
either direction, at intersec-
tions of streets or by operating
around a block contiguous to such
intersections, or in accordance
with local traffic rules.

(3) That the authority herein granted is subject to the
following restriction:

No local passengers shall be transported to or
from any points intermediate between Redlands
Terminal at Orange Street and Oriental Avenue,
and junction of U. S. Highway No. 99 and
Yucaipa Boulevard.

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

Dated at San Bernardino, California, this 26th
day of June, 1951.

[Signature]
James F. Craven
Harold P. Kels
[Signature]
[Signature]
COMMISSIONERS