

points. Student tickets would be sold at the rate of 20 rides for \$1.65. The tickets would have to be used within two months from the date of purchase. As of March, 1953 applicants indicate assets in the amount of \$4,509.79.

Several public witnesses testified on behalf of applicants. The record discloses that the proposed route would pass by the Sonoma State Home. Employees of the home, it was asserted, would be greatly accommodated by a bus service scheduled to meet their commuting hours. In addition the service as proposed would be very helpful to visiting friends and relatives of inmates of the State Home. A further need was expressed on behalf of many aged residents of El Verano who because of their age or infirmities cannot drive a car and must rely upon friends or neighbors to drive them into town to shop. Still another need was expressed on behalf of those who are confronted with the problem of keeping doctor and dental appointments. It was also stated that the proposed service would eliminate the necessity for many parents to drive their children to and from school.

The route over which applicant proposes to operate would duplicate that of Pacific Greyhound Lines to a great extent. The Pacific Greyhound Lines operate three round-trip schedules daily between San Francisco and Santa Rosa via Sonoma and Glen Ellen and one round-trip schedule daily between Napa and Santa Rosa. Although Pacific Greyhound Lines limited its appearance to that of an interested party the extent of its interest was explained by a statement of counsel. The statement was to the effect that during the past few years the traffic handled between these points has not been sufficient to meet the cost of providing service and if applicants provide the hourly service proposed there is little reason to believe that they would be any more successful. Pacific Greyhound Lines wished to direct the Commission's attention to the principle that a certificate of public convenience and necessity will not be issued to a passenger stage corporation or to any public utility unless the applicant

therefor establishes its present financial stability and a prospect of probable financial success.

The Commission cannot assure the financial success of any public utility venture. Although it appears that applicants possess the financial means to inaugurate the service its success will depend largely upon the patronage of those who have so enthusiastically expressed a desire for the service.

After consideration of the evidence the Commission is of the opinion that public convenience and necessity require the granting of the authority sought.

The requested approval of a certificate of insurance issued by Cravens, Dargan & Company providing for coverage by Lloyd's of London for personal bodily injury and for property damage as required by the provisions of the Commission's General Order No. 101 in the amounts of \$15,000 and \$80,000 for bodily injuries and in the amount of \$10,000 for property damage will be granted.

Irwin M. MacLeod and Arthur R. Mann, doing business as Valley of the Moon Stage Lines, 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

Applications having been filed, public hearing held thereon, the Commission informed in the premises,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is hereby granted to Irwin M. MacLeod and Arthur R. Mann, authorizing the establishment and operation of service as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, for the transportation of passengers between Sonoma and Glen Ellen and intermediate points.

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

(a) Applicants shall file a written acceptance herein granted within 30 days after the effective date hereof.

(b) Within sixty days after the effective date hereof and on not less than five days' notice to the Commission and to the public applicants shall file in triplicate and concurrently make effective, appropriate tariffs and timetables.

(c) Subject to the authority of the Commission to change or modify it at any time by further order, applicants shall conduct the service herein authorized over and along the following route:

"Commencing at West First Street and Napa Street, thence along Napa Street, East Second Street, Chase Street, Oak Street, MacArthur Street, Broadway Street, East Napa Street, East First Street, Spain Street, West First Street, West Napa Street, Riverside Drive, Grove Avenue, First Street, Maple Street, Riverside Drive, Craig Avenue, Railroad Avenue, Boyes Boulevard, State Highway 12, Santa Rosa Avenue, Arnold Drive to Warm Spring Road."

(3) That the Commission hereby approves the certificate of insurance issued by Cravens, Dargan & Company, providing for insurance coverage for applicants by Lloyd's of London, together with a renewal, or renewals, of said certificate.

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

Dated at San Francisco, California, this 19th day of May, 1953.

A. J. [Signature]
President
Justus F. Casper
Harold Kuba
Herbert P. [Signature]
Ed. E. [Signature]
Commissioners