Decision No. 55243 BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA In the Matter of the Application of MATTHEW J. DESMOND, an individual, doing business as DESMOND MAIL SERVICE, for a certificate of public convenience and necessity to operate Application No. 35968 as a highway common carrier of mail between various points and places in Southern California pursuant to Public Utilities Code Sections 1063-1064. Glanz & Russell by Theodore W. Russell, for applicant. <u>OPINION</u> Matthew J. Desmond is engaged in the transportation of property in California pursuant to permits issued by this Commission. Applicant seeks an order authorizing him to conduct service as a highway common carrier for the transportation of United States mail between points within an area generally coextensive with the Los Angeles Territory. Notice of filing of the application was given all common carriers subject to the jurisdiction of this Commission. A public hearing was held at Los Angeles on May 15, 1957 before Examiner Carl Silverhart. Upon consideration of the allegations of the application, the representations filed pursuant to the above-mentioned notice and the evidence adduced at the hearing, the Commission finds that public convenience and necessity require that the application be granted to the extent set forth in the ensuing order. It appears -1-

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A. 35968 ET that applicant possesses the experience, equipment, personnel and financial resources to institute and maintain the operation authorized herein. Applicant is hereby placed on 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, such rights 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 as to the number of rights which may be given. ORDER A public hearing having been held and based upon the evidence adduced therein and the application and representations filed herein, IT IS ORDERED: (1) That a certificate of public convenience and necessity is granted to Matthew J. Desmond, authorizing him to operate as a highway common carrier as defined by Section 213 of the Public Utilities Code for the transportation of property between the points as more particularly set forth in Appendix A attached hereto and made a part hereof. (2) That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations: -2A. 35968 ET

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that he will be required, among other things, to file annual reports of his operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 99. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 99, may result in a cancellation of the operating authority granted by this decision.
- (b) Within sixty days after the effective date hereof, and on not less than ten days' notice to the Commission and the public, applicant shall establish the service herein authorized and file in triplicate, and concurrently make effective, tariffs satisfactory to the Commission.

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

Dated at San Francisco, California, this 9th day

Commissioners

President

Commissioner Reter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

Appendix A Matthew J. Desmond Original Page 1

Matthew J. Desmond, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport United States mail of all classes as defined by the laws of the United States between all points and places which lie within the following described territory: Beginning at the extensions of Sunset Boulevard and the Pacific Ocean, easterly along said extension and Sunset Powleyard markenly along that Wighter 7 according along

Boulevard, northerly along State Highway 7, easterly along U. S. Highway 101, State Highway 134 and U. S. Highway 66, southerly along State Highway 19, easterly along U. S. Highway 99, southerly along State Highway 39 and the easterly boundary of Los Angeles County to the Pacific Ocean, thence along the coast line to the point of beginning.

End of Appendix A

Issued by California Public Utilities Commission. Decision No. 55243, Application No. 35968.