

ORIGINALDecision No. 73550

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 YELLOW INVESTMENT CO., a California
 corporation, for certificate of
 public convenience and necessity to
 operate (1) as a passenger stage
 corporation providing passengers,
 express property and baggage service
 between Sacramento Metropolitan Air-
 port and the City of Sacramento,
 California, including an "on call"
 passenger service within 200 miles
 of the City of Sacramento.

Application No. 49850
 (Filed December 5, 1967)

INTERIM OPINION AND ORDER

Yellow Investment Co., a corporation, seeks a certificate of public convenience and necessity to operate as a passenger stage corporation for the transportation of passengers and their baggage:

- (1) Between Sacramento, on the one hand, and Sacramento Metropolitan Airport and Sacramento Municipal Airport (as an alternate airport), on the other hand, along described routes.
- (2) To provide an auxiliary "on call" service as an adjunct to the above service, from Sacramento to points within a radius of 200 miles thereof.

The verified application alleges the following:

Sacramento Metropolitan Airport, located approximately eleven miles north of Sacramento, began operations on November 1, 1967. On that date, regular operations of commercial airlines were discontinued at Sacramento Municipal Airport. Applicant, on October 23, 1967, entered into an agreement with the County of Sacramento, as operator of the Sacramento Metropolitan Airport, for the exclusive

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right to provide limousine (bus) service and taxi service between Sacramento and the airport. The agreement contains no specific termination date. It provides that applicant shall operate buses of a capacity of 12 persons or more, and that it shall coordinate its schedules with those of commercial airline arrivals and departures.

The agreement specifies that regular one-way fares for a passenger and his baggage shall be \$1.70, with a reduction in fare to \$1.50 when a new freeway route is completed. The agreement also specifies that applicant's terminal in Sacramento shall be at the Senator Hotel.

Appended to the application are: a copy of applicant's articles of incorporation, a map of the proposed route for its limousine operations, the aforementioned agreement between applicant and the County of Sacramento, the proposed time schedules for the limousine operations, a description of the equipment to be used in the proposed service and a financial statement.

The financial statement indicates that applicant has adequate resources to conduct the proposed operation. Applicant has acquired six 12-passenger Checker Airporter limousines for use in the proposed service.

The application states that the particular services applicant proposes to furnish are not now furnished by any other person and that the granting of the application will not institute service in competition with any vehicular carrier.

The request for authority to provide an airport limousine service between Sacramento and Sacramento Metropolitan Airport is well supported by the information set forth in the application.

Inasmuch as the new airport facility is now in operation, the authority to provide limousine service between Sacramento and Sacramento Metropolitan Airport should be granted without hearing. The authority sought with respect to an auxiliary service within 200 miles of the airport is not supported by the application and should be set for hearing.

The Commission finds as follows:

1. Applicant possesses the necessary equipment, experience, and financial ability to provide the proposed limousine service between Sacramento and Sacramento Metropolitan Airport.

2. In providing a passenger stage service for the transportation of airline passengers and their baggage between Sacramento and Sacramento Metropolitan Airport, applicant will not compete with any passenger stage corporation now authorized to provide service.

3. Public convenience and necessity require the proposed operations as a passenger stage corporation between Sacramento and Sacramento Metropolitan Airport.

The Commission concludes that the proposed service described in finding 3 should be authorized without hearing and that the balance of the application should be set for hearing.

Yellow Investment Co. 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 modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Yellow Investment Co., a corporation, authorizing it to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendix A attached hereto and made a part hereof.

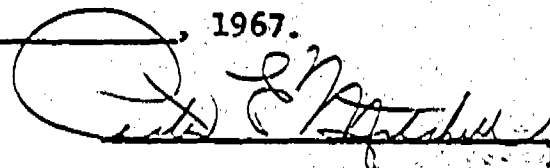
2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-A and insurance requirements of the Commission's General Order No. 101-B.
- (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- (c) The tariff and timetable filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.

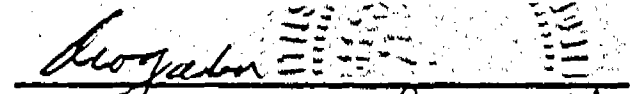
- (d) The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98-A.
- (e) Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

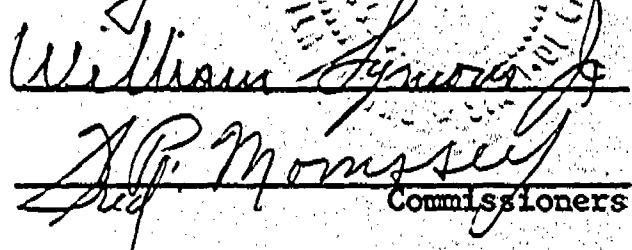
The effective date of this order shall be ten days after the date hereof.

Dated at San Francisco, California, this 27 day of DECEMBER, 1967.



President





Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS
AND SPECIFICATIONS.

Yellow Investment Co., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport passengers, their baggage and shipments of express weighing one hundred pounds or less, on passenger-carrying vehicles, between the Sacramento Metropolitan Airport, on the one hand, and the City of Sacramento, on the other hand, over the routes hereinafter described subject to the following provisions:

- (a) No passengers shall be transported except those having either point of origin or destination at the Sacramento Metropolitan Airport.
- (b) Passengers shall be picked up and discharged only at points and places to be named in tariffs and timetables filed with the Commission.

SECTION 2. ROUTE DESCRIPTIONS.

Sacramento-Sacramento Metropolitan Airport

Commencing at the downtown terminal of Yellow Investment Co. in the City of Sacramento, thence via the most appropriate city streets and public highways to the Sacramento Metropolitan Airport, and return to said terminal via the same routing.

Issued by California Public Utilities Commission.

Decision No. 73550, Application No. 49850.