Decision No. 15825.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of JOHN H. EAGLE )

to transfer certificate of public )
convenience and necessity to Tehach- ;
api Transportation Company, a corpo- ;
ration, and of Tehachapi Transporta- ;
tion Company to issue stock.

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Application No. 12347

Devlin and Brookman, for applicants.

BY THE COMMISSION:

## OPINION AND ORDER

In the above entitled matter the Railroad Commission is asked to make an order authorizing John H. Eagle to transfer to Tehachapi Transportation Company, a corporation, the certificate of public convenience and necessity which the Commission granted him by Decision No. 15002, and authorizing Tehachapi Transportation Company to issue at par three shares of its capital stock of the aggregate par value of \$500.

By Decision No. 15002, dated June 3, 1925, in Application No. 10809, the Commission granted to John H. Eagle a certificate of public convenience and necessity permitting the operation of an automotive freight service between Los Angeles, on the one hand, and Ranfsburg, Johannesburg, Osdick, Inn City, Hampton and Atolia, on the other hand, over and along the following route:-

Via main county highway between Randsburg and Mojave; and via state highway between Mojave and Los Angeles.

John H. Eagle reports that he accepted such certificate and that since then has been operating the automotive freight service in accordance therewith but that now he is desirous that the business be operated by a corporation, rather than by himself individually. For this reason he has caused the organization of Tehachapi Transportation Company, one of the applicants herein.

The corporation was organized on or about November 27, 1925 with an authorized capital stock of \$25,000., divided into 250 shares of the par value of \$100. each, all shares being common. It has agreed with John H. Eagle to take over the cortificates of public convenience and necessity and to pay therefor the sum of \$500.; it being reported to the Commission, in this connection, that in excess of \$500. was expended by Mr. Eagle in obtaining his cortificate. It is to obtain the necessary funds that the corporation has made the present request to issue three shares of stock.

The Commission has given consideration to the application and is of the opinion that it is a matter in which a public hearing is unnecessary and that it should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of said stock is reasonably required for the purpose specified herein and that the expenditure for such purpose is not in whole or in part reasonably chargeable to operating expense or to income.

IT IS HERELY ORDERED that John H. Eagle be, and he hereby is, authorized to transfer to Tehachapi Transportation Company for \$500. the certificate of public convenience and necessity granted to him by Decision No. 15002, dated June 3, 1925, permitting the operation of an automotive freight service between Los Angeles, on the one hand, and Randsburg, Johannesburg, Osdick, Inn City, Hampton and Atolia, on the other hand, over and along the main county highway between Randsburg and Mojave and the state highway between Mojave

and Los Angelos.

IT IS HEREBY FURTHER ORDERED that Tehachapi Transportation Company be, and it is hereby, authorized to issue and soll at par on or before Debruary 28, 1926, three chares of its common capital stock of the aggregate par value of \$500. and to use the proceeds to pay for the certificate of public convenience and necessity to be acquired from John H. Eagle.

The authority herein granted is subject to the following conditions:-

- 1. John H. Eagle shall cancel immediately all tariffs of rates and time schedules heretofore filed by him with the Railroad Commission and Tehachapi Transportation Company shall file immediately tariffs of rates and time schedules in its own name or adopt as its own the tariffs of rates and time schedules heretofore filed by John H. Eagle, all such tariffs of rates and time schedules to be identical with those filed by John H. Eagle, such cancellation and filling to be in accordance with the provisions of General Order No. 51 and other regulations of the Railroad Commission.
  - 2. The rights and privileges which are herein authorized to be transferred may not hereafter be discontinued, sold, leased, transferred, hypothecated or assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer, hypothecation or assignment has been secured.
- 3. No vehicle may be operated by Tehachapi Transportation
  Company unless such vehicle is owned by the
  company or is lessed by it for a specified amount
  or a trip or term basis, the lessing of the equip-

mont not to include the services of a driver; or operator. All employment of drivers or operators of leased cars shall be made on the basis of a contract whereby the driver or operator shall bear the relation of an employee of the transportation company.

- 4. Tehachapi Transportation Company shall keep such record of the issue and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file within 30 days after such issue a verified report, as required by the Rail-road Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.
  - 5. The authority herein granted shall become effective upon the fate hereof.

DATED at San Francisco, California, this 3/af day of December 1921.

Chessey George D. Squies

Zeon Carriball

Commissioners.