

ORIGINAL

Decision No. 19459

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 B. S. ALBUSH to sell, and A.L.WENTZ)
 to purchase an automobile passenger) Application
 and freight line operated between) No.14436
 Placerville and Pino Grande, California.)

BY THE COMMISSION -

OPINION and ORDER

B. S. Albush has petitioned the Railroad Commission for an order approving the sale and transfer by him to A.L. Wentz of an operating right for an automotive service for the transportation of persons and property between Placerville and Pino Grande, and A. L. Wentz has applied for authority to purchase and acquire said operating right and to hereafter operate thereunder, the sale and transfer to be in accordance with an agreement of sale marked Exhibit "A", which exhibit is attached to the application herein and made a part thereof.

The consideration to be paid for the property herein proposed to be transferred is given as \$3500. Of this amount \$1200 is declared to be the value of certain equipment and \$2300 is said to be the value of intangibles.

The operating right herein proposed to be transferred was originally established by T.H.Simas through operation prior to May 1,1917, and the filing of tariffs and time schedules in accordance with the requirements of the Railroad Commission. C.R.C. No.1 of Simas shows service between Placerville and Pino Grande, for the transportation of passengers, baggage and packages. No service to intermediate points is shown. By Decision No.14912, dated May 12, 1925, and issued on Application No.11062, the Commission authorized Simas to transfer the operating right to Albush.

We are of the opinion that this is a matter in which a public hearing is not necessary and that the application should be granted.

The purchaser is hereby placed upon notice that "Operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. 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.

IT IS HEREBY ORDERED that the above entitled application be, and the same is hereby granted, subject to the following conditions:

1- The consideration to be paid for the property herein authorized to be transferred shall never be urged before this Commission or any other rate fixing body as a measure of value of said property for rate fixing, or any purpose other than the transfer herein authorized.

2- Applicant Albush shall immediately unite with applicant Wentz in common supplement to the tariffs on file with the Commission, applicant Albush on the one hand withdrawing, and applicant Wentz on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicant Albush shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Wentz shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Albush which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Albush or time schedules satisfactory to the Railroad Commission.

4- The rights and privileges herein authorized may not be sold, leased, transferred nor assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured.

5- No vehicle may be operated by applicant Wentz unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

6- This order shall not become effective until there has been paid to the Railroad Commission the fee required to be paid by the Public Utilities Act on all evidence of indebtedness extending over a period of one year, in this instance the minimum fee of \$25.00.

Dated at San Francisco, California, this 10th day of March, 1928.

Ch. Seaman

Paul S. Lott

W. J. Case
COMMISSIONERS.

Fee # 25 ⁰⁰/₁₀₀
RAILROAD COMMISSION
STATE OF CALIFORNIA
MAR 22 1928
By *[Signature]*
SECRETARY
Fee # 25185