

ORIGINAL

Decision No. 20295

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 JAMES T. HAWKINS to sell, and )  
 A. A. WAIT to purchase an automobile ) Application No. 15018  
 (passenger and freight line) operated )  
 between Nipton, California, and )  
 Searchlight, Nevada. )

BY THE COMMISSION -

OPINION and ORDER

James T. Hawkins has applied to the Railroad Commission for an order approving the sale and transfer by him to A. A. Wait of an operating right for the transportation of persons and property between Nipton, California, and a point on the California-Nevada state line, and A. A. Wait has asked for authority to purchase and acquire said operating right and to hereafter operate thereunder, the sale and transfer to be in accordance with the terms of an agreement, a copy of which, marked Exhibit "A", 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 \$1000, all of which sum is said to represent the value of equipment involved.

The operating right herein proposed to be transferred was granted to applicant Hawkins by Railroad Commission Decision No. 14214, dated October 28, 1924, and issued on Application No. 10310. It authorizes operation of an

"automobile freight, passenger, express and baggage service, between Nipton, San Bernardino County, California and the Nevada State Line, toward Searchlight, over and along the following route:

Via main county highway between Nipton and the California state line."

The following is from the opinion preceding the order in Decision No. 14214:

"Opposition to the certificate sought was made in behalf of E. B. Brown, operating a freight service between Needles, California, and Las Vegas, Nevada, but upon the statement of applicant that he intended and would conduct no transportation service between Needles and Nipton, the opposition was withdrawn."

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.

A. A. Wait 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 James T. Hawkins shall immediately unite with applicant A. A. Wait in common supplement to the tariffs on file with the Commission, applicant Hawkins on the one hand withdrawing, and applicant Wait on the other hand accepting and establishing such tariffs and all effective supplements thereto.

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

Dated at San Francisco, California, this 3rd day of October, 1926.

Leon Whitall  
Al Seaver  
Emilio  
Thos. P. ...  
M. J. ...  
COMMISSIONERS.