

Decision No. 22368

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 G. F. MARSH to sell, and R. V. HARDIE
 to purchase an automobile passenger,
 baggage and freight line operated
 between Lone Pine Station, Lone Pine
 and Keeler, California.

ORIGINAL

) Application
) No. 16479
)

BY THE COMMISSION -

OPINION and ORDER

G. F. Marsh has petitioned the Railroad Commission for an order approving the sale and transfer by him to R. V. Hardie of an operating right for an automotive service for the transportation of passengers and property between Lone Pine Station, Lone Pine and Keeler, and R. V. Hardie has petitioned 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, 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 \$500, all of which sum is declared to be the value of intangibles.

The operating right herein proposed to be transferred was established by Marsh through operation prior to May 1, 1917, as evidenced by the filing of tariffs with the Railroad Commission. Said tariffs show an automotive service for the transportation of passengers, baggage and freight between Lone Pine, Lone Pine Station and Keeler.

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.

R. V. Hardie 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 Marsh shall immediately unite with applicant Hardie in common supplement to the tariffs on file with the Railroad Commission covering service given under operative right herein authorized to be transferred, applicant Marsh on the one hand withdrawing, and applicant Hardie on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicant Marsh shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Hardie shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Marsh which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Marsh, 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 Hardie 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- The order herein shall not be construed by applicant Hardie as authority to link up or join the operating right herein authorized to be transferred with his existing rights.

Dated at San Francisco, California, this 26th day of April, 1930.

C. S. [Signature]

Thos. D. [Signature]

W. J. [Signature]
COMMISSIONERS.