

Decision No. 22492

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 RALPH HEPLIE to purchase of)
 PICKWICK STAGES SYSTEM operative) Application No. 16514
 rights for the transportation of)
 passengers and property between)
 Santa Cruz and Capitola and between)
 Santa Cruz and Twin Lakes.)

BY THE COMMISSION -

OPINION and ORDER**ORIGINAL**

Pacific Greyhound Lines, Inc., substituted by order of the Commission, as party applicant herein, instead of Pickwick Stages System, a corporation, all of the properties of Pickwick Stages System having been transferred to Pacific Greyhound Lines, Inc., by Decision No. 22469 on Application No. 16490, has petitioned the Railroad Commission for an order approving the sale and transfer by it to Ralph Heple of operating rights for an automotive service for the transportation of passengers between Santa Cruz and Twin Lakes and Santa Cruz and Capitola, and Ralph Heple has petitioned for authority to purchase and acquire said operating rights 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 \$2500. Of this sum \$2400 is declared to be the value of equipment and \$100 is declared to be the value of intangibles.

The operating rights herein proposed to be transferred were originally granted to Union Traction Company. By Railroad Commission Decision No. 17749, dated December 11, 1926, and issued on Application No. 13318, the rights were transferred to Auto Transit Company. By Decision No. 21288, dated June 27, 1929, and issued on Application No. 15569, the Commission authorized their

transfer to Pickwick Stages System. By Decision No.22459, dated May 21, 1930, and issued on Application No.16357, the Commission granted a certificate of public convenience and necessity to Pickwick Stages System authorizing Pickwick to operate an automotive passenger stage service between Santa Cruz and Twin Lakes and Santa Cruz and Capitola, serving intermediate points on both routes, said routes being described as follows:

Between Santa Cruz and Capitola via the main highway route described as follows: Starting at the company (Pickwick) depot at the intersection of Front and Short Streets in Santa Cruz, thence on Front Street to Soquel Avenue, thence on Soquel Avenue to Pacific Avenue, thence on Pacific Avenue to Water Street, thence to Ocean Street, thence to Grant Street, thence to Altion Street, to Market Street, to Water Street, to Branciforte Avenue, to Chilverton Street, to Morrissey Avenue, to Fairmont Avenue, to Pacheco Avenue, to Martin Boulevard, to Parkway, to Soquel Avenue, to Lower Soquel Road, continuing on Lower Soquel Road (also known as Fairview Avenue east of Rodeo Creek) to Soquel Landing Road, thence to Stockton Street, to Capitola Avenue, to San Jose Avenue.

Between Santa Cruz and Twin Lakes via the highway route described as follows: Starting point corner of Pacific and Soquel Avenues, thence to Seabright Avenue, to East Cliff Drive, thence east on East Cliff Drive crossing Woods Lagoon Bridge, continuing on East Cliff Drive to 11th Avenue, to Division Street, to 17th Avenue.

Said rights, by said Decision No.22459, were not consolidated one with the other nor with the main operating right of Pickwick Stages System, and they were declared to be issued in lieu of the rights previously acquired by Pickwick from said Auto Transit Company and were issued subject to the following restrictions:

No express or baggage, except hand, may be transported between Santa Cruz and Capitola, or intermediate points, all inclusive, via the route over Lower Soquel Road.

No express or baggage, except hand, may be transported locally on the operative right herein granted between Santa Cruz and Twin Lakes, or intermediate points, all inclusive.

The rights herein authorized to be transferred, then, are such rights as were granted to Pickwick Stages System by said Decision No. 22459.

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.

Ralph Heple 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 Pickwick Stages System (Pacific Greyhound Lines, Inc.,) shall immediately unite with applicant Ralph Heple in common supplement to the tariffs on file with the Commission covering service given under operating rights herein authorized to be transferred, applicant Pickwick Stages System (Pacific Greyhound Lines, Inc.,) on the one hand withdrawing, and applicant Heple on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicant Pickwick Stages System (Pacific Greyhound Lines, Inc.,) shall immediately withdraw time schedules filed in its name with the Railroad Commission, and applicant Heple shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Pickwick Stages System (Pacific Greyhound Lines, Inc.,) which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Pickwick Stages System (Pacific Greyhound Lines, Inc.,) 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 Ralph Heple 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 29th day of
May, 1930.

C. L. ...

Thos. E. ...

W. J. ...
Commissioners.