

Decision No. 22596**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 PACIFIC GREYHOUND LINES, INC., a cor-
 poration, to sell and M. R. HELSLEY
 and I. P. LITRELL to buy certificate
 of public convenience and necessity
 for the transportation of freight
 between Crescent City and Eureka and
 intermediate points.)
)
) Application No. 16632
)
)
)

BY THE COMMISSION -

OPINION and ORDER

Pacific Greyhound Lines, Inc., has petitioned the Railroad Commission for an order approving the sale and transfer by it to M. R. Helsley and I. P. Littrell of an operating right for an automotive service for the transportation of property between Eureka and Crescent City and intermediate points, and M. R. Helsley and I. P. Littrell have 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 \$10,000. Of this sum \$3000. is declared to be the value of equipment and \$7000 is declared to be the value of intangibles.

The operating right herein proposed to be transferred was granted to Pickwick Stages System by Decision No. 22166, issued on Application No. 16079, which granted to Pickwick, in lieu of existing rights, a certificate of public convenience and necessity to operate a freight service between Crescent City and Eureka via the main highway through Klamath, Orick and Crannell Junction, serving said termini and all intermediate points. By Decision No. 22469 the right was transferred to

Pacific Greyhound Lines, Inc.

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, provided that in recording the transaction on their books of account applicants may charge to their fixed capital account not more than \$3000.

M. R. Helsley and I. P. Littrell are 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 Pacific Greyhound Lines, Inc., shall immediately unite with applicants Helsley and Littrell in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Pacific Greyhound Lines, Inc., on the one hand withdrawing, and applicants Helsley and Littrell on the other hand accepting and establishing such tariffs and all effective supplements thereto.
- 3- Applicant Pacific Greyhound Lines, Inc., shall immediately withdraw time schedules filed in its name with the Railroad Commission, and applicants Helsley and Littrell shall immediately file, in duplicate, in their own names time schedules covering service heretofore given by applicant 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 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 applicants Helsley and Littrell unless such vehicle is owned by said applicants or is leased by them 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 by the Public Utilities Act and the Auto Stage and Truck Transportation Act to be paid on all evidences of indebtedness extending over a period of one year, in this instance the minimum fee of \$25.00.

Dated at San Francisco, California, this 30th day of

June, 1930.

Clarence

Leon

Thos & Louis

COMMISSIONERS.

