

Decision No. 22687

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application  
of E.E. Rugg to sell and Rudolph  
Wuescher to purchase an automobile  
freight and passenger line opera-  
ted between Willits and Hearst,  
California.

Application  
No. 16695.

ORIGINAL

BY THE COMMISSION: -

OPINION and ORDER

E.E. Rugg has petitioned the Railroad Commission for an order approving the sale and transfer by him to Rudolph Wuescher of an operating right for an automotive service for the transportation of passengers and property between Willits and Hearst and Rudolph Wuescher 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 nil.

The operating right herein proposed to be transferred was granted by Decision No. 5799 dated September 26, 1918 and issued on Application No. 4088, which decision authorized L.S. Neighbors and W. Bauer to operate an automobile service for the transportation of passengers and freight between Willits and Hearst and intermediate points. By Decision No. 11713, dated February 23, 1923 and issued on Application No. 8707 the right was transferred to applicant Rugg.

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.

Rudolph Wuescher 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 Rugg shall immediately unite with applicant Wuescher in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Rugg on the one hand withdrawing, and applicant Wuescher on the other hand accepting and establishing such tariffs and all effective supplements thereto.
- 3- Applicant Rugg shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Wuescher shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Rugg which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Rugg 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 Wuescher 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 17th day of

July 1930.

[Signature]  
[Signature]  
[Signature]  
COMMISSIONERS.