AZ 23127 Decision No. REFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA In the Matter of the Application of Soren Sorensen to sell, and S.K. Mc Murray to purchase, an automobile freight line operated Application No. 17021. between Santa Barbara and Santa Ynez, in the County of Santa Barbara, State of California. OBIGINAL BY THE COMMISSION: OPINION and ORDER Soren Sorensen and S.K. Mc Murray have petitioned the Railroad Commission for an order approving the sale and transfer by Soren Sorensen to S.K. Mc Murray of an operating right for an automotive service for the transportation of property between Santa Barbara and Santa Ynez and S.K. Mc Murray has petitioned for authority to purchase and acquire said operating right and to horeafter 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 \$2000. all of which sum is declared to be the value of intangibles. The operating right herein proposed to be transferred was established by Decision No. 9151 of June 24, 1921 in Application No. 6608 which "....declares that public convenience and necessity require the operation by J. L. Edelblute of auto freight truck service between Santa Barbara and Santa Ynez, serving Gaviota, Las Cruces, Buell, Solvang and Los Olivas as intermediate points,..."

Decision No. 15326 of August 21, 1925 in Application No. 11594 authorized Soren Sorensen to acquire from Florecia Edelblute, administratrix of the estate of John L. Edelblute, the operating right granted by Decision No. 9151.

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. S.K. Mc Murray 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 unged 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 Mc Murray shall immediately unite with applicant Sorensen in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Sorensen on the one hand withdrawing, and applicant Mc Murray on the other hand accepting and establishing such tariffs and all effective supplements thereto. 3- Applicant Sorensen shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Mc Murray shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Sorensen which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Sorensen 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. -25- No vehicle may be operated by applicant
Mc Murray 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 28 day of Marenhar 1930.

COMMISSIONERS.