

Decision No. 23716

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of)	
R. S. CASSADY to sell, and of)	
M. P. FISCHER to purchase an automobile)	Application
passenger, express and freight line op-)	No.17360
erated between Blairsden and Salmon Lake)	
Resort, California.)	

BY THE COMMISSION -

OPINION and ORDER**ORIGINAL**

R. S. Cassady has petitioned the Railroad Commission for an order approving the sale and transfer by him to M. P. Fischer of an operating right for an automotive service for the transportation of passengers and property between Blairsden and Gold Lake Beach Resort and intermediate points, and between Blairsden and Salmon Lake Resort and intermediate points, and M. P. Fischer 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 "B", 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 \$425.00. Of this sum \$75.00 is declared to be the value of equipment and \$350.00 is declared to be the value of intangibles.

The operating right herein proposed to be transferred was acquired by applicant Cassady in Decision No.16763 of May 25, 1926, as modified by Decisions Nos.17126 and 18512, all in Application No.12841.

Decision No.16763 granted to Cassady a certificate for the operation

"....of an automobile service for the transportation of passengers, baggage, freight and express between Blairsden and Gold Lake Beach Resort and intermediate points and between Blairsden and Salmon Lake Resort and intermediate points,"

subject to the condition:

"1- That the route to be followed shall be along and over the Reno-Truckee road from Blairsden to its junction with the Gold Lake-Sierra City Road, thence over the Gold Lake-Sierra City road to the foot of Gold Lake, thence over Gold Lake Beach Resort road to Gold Lake Beach Resort, thence back over Gold Lake Beach Resort road to Gold Lake-Sierra City road and along that road to its junction with Mc Gee's road, thence over Mc Gee's road to Salmon Lake Resort."

The opinion of Decision No.16763 recites that the service proposed is for the resort season only or approximately from June 1st to August 30th of each year.

Decision No.17126 of July 17, 1926, modified Decision No.16763 by substituting for condition No.2 of said Decision No.16763 the following condition:

"2- That the intermediate points to be served under the authority herein granted shall consist only of camping places and points located in the territory between the foot of Gold Lake and Gold Lake Beach Resort and between the junction of Mc Gee's road with the Gold Lake-Sierra City road and Salmon Lake Resort, no authority being herein conveyed for service to any points on the main traveled highway between Blairsden and the points on such highway when turn offs to Gold Lake Beach Resort and to Salmon Lake Resort are made."

Decision No.18512 of June 14, 1927, in Supplemental Application No.12841, granted as follows:

"...authority to operate an on call or demand service for the transportation of passengers and property between Blairsden and Gold Lake Beach Resort be and the same hereby is granted subject to the following provisions:

1- That passengers destined to or originating at Gold Lake Beach Resort shall be transported to and from said resort by automobile if they elect to travel by auto instead of by boat to and from a point designated as 'Boat Landing' near the foot of Gold Lake.

2- That the authority herein granted shall not be construed as authority to in any way remove the restrictions contained in Conditions No.1 and 2 of the Commission's Order in Decision No.16763, as amended by Decision No.17126, nor shall it be construed as authorizing any change in the scheduled service now being given between Blairsden and the point designated as 'Boat Landing'."

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.

M. P. Fischer is hereby placed upon notice that "operative rights" do not constitute a class of property which may 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 Cassady shall immediately unite with applicant Fischer in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Cassady on the one hand withdrawing, and applicant Fischer on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicant Cassady shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Fischer shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Cassady, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Cassady, 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 Fischer 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 18th day of May,
1931.

C. Seaver

Leon Whitely

H. A. ...

M. B. ...

Fred G. ...

COMMISSIONERS.