Decision No. 10921

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

Application No. 8207

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In the Matter of the Application of J. A. SMITH for permission to lease certain automobile stage line operating rights, and of V. C. Gorst and H. N. Richards, co-partners, as lessees, to exercise said operating rights.

BY THE COMMISSION,

<u>O R D E R</u>

J. A. Smith, V. C. Gorst and H. N. Richards have filed a joint application with the Railroad Commission in which they petition for an order approving a certain lease agreement entered into between the parties applicant herein covering the lease and subsequent transfer of a certain automobile stage line.

In addition to the existing operative rights of applicant Smith, the application also requests authority to transfer a certain application heretofore filed by Smith, but not as yet acted upon by the Commission. The Commission cannot in an order in this proceeding authorize the transfer of an application which has not as yet been acted upon and it is suggested that an amended petition be filed in such proceeding changing the name of the applicant to the co-partnership which now proposes to take over the Smith operations.

The consideration given in the present proceeding is the sum of \$25,000.00 of which \$10,000.00 is proposed to be paid down at the present time and the remainder to be paid off over a

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period of eighteen months at which time the actual transfer will take place, the co-partnership to be operating such properties under a lease arrangement pending full payment of the consideration herein involved.

In addition to the operative rights it is proposed to transfer one Moreland truck, three Ruggles trucks and one White truck, all specially constructed for passenger stage operation together with various shop equipment, tools, supplies, etc.

Applicants in their petition specifically state that the consideration paid for the property herein proposed to be transferred will 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 present proceeding.

In view of the above circumstances 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.

IT IS HEREBY ORDERED that the above entitled application be, and the same hereby is granted, subject to the following conditions:

1. That 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 other purpose other than the transfer herein authorized.

2. That applicant J. A. Smith shall immediately cancel all tariff of rates and time schedules now on file with the Railroad Commission, such cancellation to be in accordance with General Order No. 51 of the Railroad Commission.

3. That applicants V. C. Gorst and H. N. Richards. co-partners, shall immediately file, in duplicate, in their own name, or adopt as their own the tariff of rates and time schedules now on file with the Commission by applicant J. A. Smith; all tariff of rates and time schedules to be identical with those as filed by applicant Smith.

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4. That the rights and privileges herein authorized to be transferred shall not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

5. No vehicle may be operated by applicants V. C. Gorst and H. N. Richards, co-partners, unless such vehicle is owned by them or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this $\frac{204}{204}$ day of August, 1922.

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Commissioners