

Decision No. 22222

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GREYHOUND LINES, INC., a)
corporation, to sell, and C.C.HAWORTE)
to purchase certain operative rights) Application
for the transportation of passengers,) No. 19233
baggage and express between Hanford)
and Delano, via Visalia and Porterville.)

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 C. C. Haworth of an operating right for an automotive service for the transportation of passengers and property between Exeter and Delano, via Lindsay, Strathmore, Porterville, Terra Bella, Ducor and Richgrove, serving all intermediate points, and C. C. Haworth 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. Applicant Haworth also requests a certificate of public convenience and necessity to extend the right to be acquired between Exeter and Hanford, via Farmersville and Visalia Airport, serving all intermediate points including Visalia, and to consolidate this new right with the one to be acquired. By this method applicant will operate a complete service between Delano and Hanford and Visalia Airport for local service, adopting the local schedules of Pacific Greyhound Lines. Applicant Haworth has been superintending Pacific Greyhound Lines' operations in the Visalia area and also operates a certificated service between Bakersfield and Paso Robles. Applicant Pacific Greyhound Lines gives its consent to such

certificate and consolidation and waives any rights it may have under Section 50 $\frac{1}{2}$ of the Public Utilities Act

The consideration to be paid for the property herein proposed to be transferred is given as \$1.00. No equipment is to be transferred.

The operative right herein proposed to be transferred was created by Decision No.23244, dated December 30, 1930, on Application No.16989.

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.

The contract between the parties contains many agreements which, while they may be binding between the parties, may be repugnant to the jurisdiction of the Commission over rates, service, terminals, finance etc. As in other contracts of similar import, the Commission will not regard itself as approving or being bound by anything more than the actual transfer of the operating right as it exists.

C. C. Haworth 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 Pacific Greyhound Lines, Inc. shall immediately unite with applicant C. C. Haworth 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 applicant C. C. Haworth 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 applicant C. C. Haworth shall immediately file, in duplicate, in his own name 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, 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 C.C. Haworth 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.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY
DECLARES that public convenience and necessity require the
operation of bus service between Exeter and Hanford, via
Farmersville, Visalia, Visalia Airport, serving all intermediates,
for the transportation of passengers, their baggage and express
between termini and all intermediates; and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted to C. C. Haworth as an extension and enlargement of the right herein authorized to be transferred by Pacific Greyhound Lines, Inc. to said Haworth, and consolidated and merged with each other into one single operation, and subject to the following restrictions:

No single package of express may be accepted for transportation that exceeds one hundred (100) pounds in weight and all express is to be transported on passenger vehicles only, except:

Limitations as to package weight and vehicle of transportation shall not apply to shipments transported for or through the agency of Railway Express Agency, Inc., and milk and cream and empty containers of such commodities when being transported to or from a rail junction point in connection with rail transportation thereof,

subject to the following conditions:

1. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
2. Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten days' notice to the Commission and the public a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application insofar as they conform to the certificate herein granted.
3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from date hereof, on not less than five days' notice to the Commission and the public, time schedules covering the service herein authorized, in a form satisfactory to the Railroad Commission.
4. The rights and privileges herein authorized may 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 applicant herein 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.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 18th day of

December, 1933.

J. S. Seavey
Leon O'Keefe
W. A. Cox
W. B. Harris
William Brown
COMMISSIONERS.