

Decision No. 27528

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
GEORGE L. MAUGER to sell; and  
SEQUOIA & GENERAL GRANT NATIONAL  
PARKS COMPANY to purchase operative  
right between Visalia and the boundary  
of Sequoia National Park near Ash  
Mountain.

)  
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) Application  
) No. 19688  
)  
)

BY THE COMMISSION -

OPINION and ORDER

**ORIGINAL**

George L. Mauger has petitioned the Railroad Commission for an order approving the sale and transfer by him to Sequoia & General Grant National Parks Company of an operating right for an automotive service for the transportation of passengers and property between Visalia and the boundary of Sequoia National Park near Ash Mountain, and Sequoia & General Grant National Parks Company 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 \$500.00, which is declared to be the value of intangibles. No equipment is involved.

The operating right herein proposed to be transferred was created by Decision No. 23868, dated July 3, 1931, on Application No. 17445.

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.

Sequoia & General Grant National Parks Company 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 George L. Mauger shall within twenty (20) days after the effective date of the order unite with applicant Sequoia & General Grant National Parks Company in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant George L. Mauger on the one hand withdrawing, and applicant Sequoia & General Grant National Parks Company on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant George L. Mauger shall within twenty (20) days after the effective date of the order withdraw time schedules filed in his name with the Railroad Commission and applicant Sequoia & General Grant National Parks Company shall within twenty (20) days after the effective date of the order file, in duplicate, in its own name time schedules covering service heretofore given by applicant George L. Mauger, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant George L. Mauger 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 Sequoia & General Grant National Parks Company unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 13th day of November, 1934.

Leon O. Whipple  
W. B. K. Hays  
G. J. T. Mace