

Decision No. 28385

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PAJARO VALLEY CONSOLIDATED RAILROAD)
COMPANY, LTD., a corporation, to sell,)
and B.W. ROBB to purchase, an auto-) Application No. 20257
mobile passenger line operated between)
Spreckels and Salinas, California.)

BY THE COMMISSION:

O P I N I O N

Applicant Pajaro Valley Consolidated Railroad Company Ltd., a corporation, has petitioned the Railroad Commission for an order approving the sale and transfer by it to B. W. Robb of an operating right for an automotive service as a highway common carrier of passengers baggage and express between Spreckels and Salinas and intermediate points; and B. W. Robb 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 of sale, 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 Four Hundred (\$400) Dollars. Of this sum Three Hundred Fifty (\$350) Dollars is alleged to be the value of equipment, and Fifty (\$50) Dollars is alleged to be the value of intangibles.

The operating right herein proposed to be transferred was created by Decision No. 9574, dated September 29, 1921 in Application No. 7195.

Amended Articles of Incorporation of Pajaro Valley Consolidated Railroad Company, the original grantee herein, on file with Commission in Application No. 15319 show that the corporate name was changed under the date of October 23, 1929 to Pajaro Valley Consolidated Railroad Company, Ltd.

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.

Applicant B. W. Robb/^{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.

O R D E R

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 for any purpose other than the transfer herein authorized.
2. Applicant Pajaro Valley Consolidated Railroad Company Ltd., shall within twenty (20) days after the effective date of the order herein unite with applicant B. W. Robb in common supplement to the tariffs on file with the Commission, covering service given under the certificate herein authorized to be transferred, applicant Pajaro Valley

Consolidated Railroad Company Ltd. withdrawing, and applicant B. W. Robb accepting and establishing such tariffs and all effective supplements thereto.

3. Applicant Pajaro Valley Consolidated Railroad Company Ltd. shall within twenty (20) days after the effective date of the order herein withdraw all time schedules filed in its name with the Railroad Commission and applicant B. W. Robb shall within twenty (20) days after the effective date of the order herein file, in duplicate, in his own name time schedules covering service heretofore given by applicant Pajaro Valley Consolidated Railroad Company Ltd. which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Pajaro Valley Consolidated Railroad Company Ltd. 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 obtained.

5. No vehicle may be operated by applicant B. W. Robb 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.

6. The authority herein granted to sell and transfer the right and/or property shall lapse and be void if the parties hereto shall not have complied with all the conditions within the periods of time fixed herein unless, for good cause shown, the time shall be extended by further order of the Commission.

The effective date of the order herein shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 25th day of November, 1935.

John A. White
M. A. Linn
W. B. Harris
Frank R. Linn

. Commissioners