

Decision No. 29555

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of ROWE SANDERSON, Trustee, doing )  
business as REX TRANSFER COMPANY, )  
for authority to reconvey to )  
SANTA FE TRANSPORTATION COMPANY, )  
a corporation, certain certificates )  
of public convenience and necessity )  
and property conveyed to Rowe San- )  
derson, Trustee, under authority of )  
Decision No. 29238, November 2, 1936. )

Application No. 21018

**ORIGINAL**

BY THE COMMISSION:

O P I N I O N

By Decision No. 29238, dated November 2, 1936, the Commission approved a transfer in trust from Santa Fe Transportation Company to Rowe Sanderson, Trustee, doing business as Rex Transfer Company, of certain certificates of public convenience and necessity originally granted to T. R. Rex, doing business as Rex Transfer Company.

The said transfer was made pending final decision of the Interstate Commerce Commission upon the approval of the sale of properties and interstate rights of said T. R. Rex to Santa Fe Transportation Company.

The Interstate Commerce Commission having, by decision of January 23, 1937, in Docket MC-f-59, given its approval to the sale of the properties of T. R. Rex and such interstate rights held by him to Santa Fe Transportation Company, continuation of the trusteeship is no longer necessary.

By the instant application, approval of this Commission for the reconveyance as of midnight February 28, 1937, of the

certificate of public convenience and necessity and properties from Rowe Sanderson to Santa Fe Transportation Company is sought.

This transfer is to be in accordance with an agreement attached to the application herein and made a part thereof.

This appears to be a matter in which a public hearing is not necessary. The application will be granted.

Santa Fe Transportation 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.

#### 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 Rowe Sanderson shall within twenty (20) days after the effective date of the order herein unite with applicant Santa Fe Transportation Company in common supplement to the tariffs on file with the Commission, covering service given under the certificate herein authorized to be transferred, applicant Rowe Sanderson withdrawing and applicant Santa Fe Transportation Company accepting and establishing such tariffs and all effective supplements thereto.

3. Applicant Rowe Sanderson shall within twenty (20) days after the effective date of the order herein withdraw all time schedules filed in his name with the Railroad Commission and applicant Santa Fe Transportation Company shall within twenty (20) days after the effective date of the order herein file, in duplicate, in their own name time schedules covering service heretofore given by applicant Rowe Sanderson which time schedules shall be identical with the time schedules now on file with the Railroad Commission, in the name of applicant Rowe Sanderson 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.

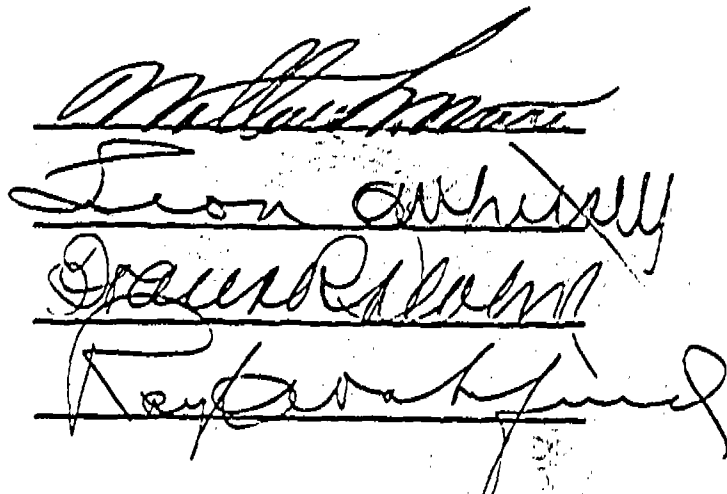
5. No vehicle may be operated by applicant Santa Fe Transportation Company unless such vehicle is owned by said applicants or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.

6. The authority herein granted to sell and transfer the rights 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.

7. Applicant shall, prior to the commencement of service authorized herein and continuously thereafter, comply with all of the provisions of this Commission's General Order No. 91.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 19<sup>th</sup> day of February, 1937.

  
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COMMISSIONERS.