

Decision No. 28600

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of WARD G. ALLEN and V. C. LINVILLE, co-partners, doing business under the firm name and style of ALLEN & LINVILLE, to sell, and THOMAS B. RILEY, to purchase an automobile passenger line operated between Redding, California, and New Pine Creek on the State Line between Modoc County, California, and Lake County, Oregon.

Application No. 21053

ORIGINAL

BY THE COMMISSION:

O P I N I O N

W. G. Allen, V. C. Linville and T. B. Riley, doing business as Redding-Alturas-Lakeview Stages, have petitioned the Railroad Commission for an order approving the sale and transfer by them to T. B. Riley of an operating right for the automotive transportation as a common carrier of passengers and express generally between Redding, Beiber, Alturas and a point on the California-Oregon Line near New Pine Creek, Oregon, as more particularly described in and created by Decision No. 24162 on Application No. 17673; and T. B. Riley 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 \$2700 all of which sum is alleged to be the value of the intangibles.

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

T. B. Riley 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. Applicants W. G. Allen, V. C. Linville and T.B. Riley shall within twenty (20) days after the effective date of the order herein unite with applicant T. B. Riley in common supplement to the tariffs on file with the Commission, covering service given under the certificate herein authorized to be transferred, applicants W. G. Allen, V. C. Linville and T. B. Riley withdrawing and applicant T. B. Riley accepting and establishing such tariffs and all effective supplements thereto.
3. Applicants W. G. Allen, V. C. Linville and T.B. Riley shall within twenty (20) days after the effective date of the order herein withdraw all time schedules filed in their name with the Railroad Commission and applicant T. B. Riley 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 applicants W. G. Allen, V. C. Linville and T. B. Riley which time schedules shall be identical with the time schedules now on file with the Railroad Commission, in the name of applicant W. G. Allen, V. C. Linville and T. B. Riley 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 T. B. Riley 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.

7. Applicant T. B. Riley 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.

Dated at San Francisco, California, this 14th day of March, 1937.

W. G. Allen
V. C. Linville
T. B. Riley
W. G. Allen
V. C. Linville
T. B. Riley
COMMISSIONERS.