

Decision No. 31238

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of HUNTINGTON STAGE LINES, INC., a corporation, for authority to transfer and of HUNTINGTON STAGE LINES, a partnership consisting of C. J. and C. E. Fortier, for authority to acquire the automobile passenger, express and freight carrying rights between Fresno and Reedley; between Fresno and Kingsburg; between Fresno and Lakeshore in the County of Fresno; between Fresno and Bass Lake in Madera County, and between Fresno and General Grant National Park in Tulare County.

ORIGINAL

Application No. 22609

BY THE COMMISSION:

O P I N I O N

Huntington Stage Lines, Inc., a corporation, has petitioned the Railroad Commission for an order approving the sale and transfer by it to C. J. and C. E. Fortier, co-partners, doing business as Huntington Stage Lines, of operative rights for the automotive transportation as a common carrier of passengers and property in general, between Fresno, Pineridge, Huntington Lake, Florence Lake and other points, and for the transportation of property in general between Fresno and Kingsburg; between Fresno and Bass Lake (The Pines); and between Fresno and General Grant National Park; and C. J. Fortier and C. E. Fortier have petitioned for authority to purchase and acquire said operative rights and to hereafter operate thereunder, the sale and transfer to be made in accordance with the terms and conditions of a resolution passed by the Board of Directors of applicant Huntington Stage Lines, Inc., a copy of which, marked Exhibit "A", is attached to the application herein and made a part thereof.

It is alleged that Huntington Stage Lines, Inc. has elected to discontinue business as a corporation and has taken steps looking

toward the dissolution of the corporation; that upon such dissolution it is proposed that all of the rights, equipment, property and assets of every kind, character and description shall be transferred from said corporation to the co-partners consisting of C. J. Fortier and C. E. Fortier.

The operative rights herein proposed to be transferred were created by Decision No. 28202, dated September 3, 1935, on Application No. 19975; Decision No. 28478, dated December 31, 1935, on Application No. 20312; Decision No. 28736, dated April 20, 1936, on Application No. 20467; Decision No. 28827, dated May 18, 1936, on Application No. 20544; and Decision No. 30648, dated February 21, 1938, on Application No. 21764.

This is not a matter in which a public hearing is necessary, and the request appearing to be in the public interest will be granted.

C. J. Fortier and C. E. Fortier are 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.

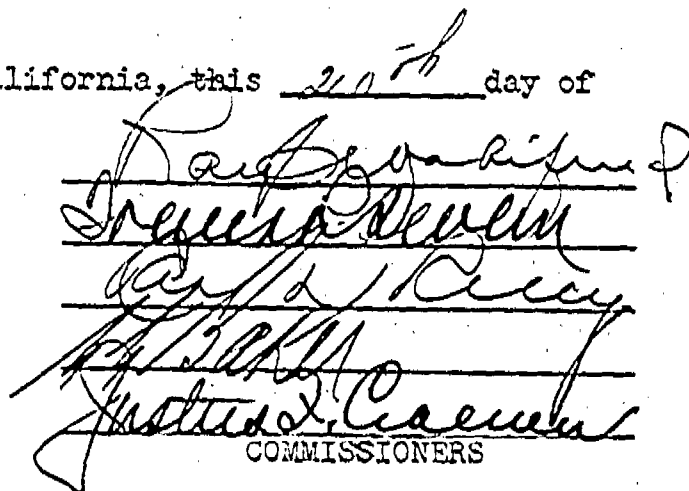
#### O R D E R

IT IS ORDERED that Huntington Stage Lines, Inc. is hereby authorized to sell and transfer to C. J. Fortier and C. E. Fortier, and C. J. Fortier and C. E. Fortier are hereby authorized to purchase and acquire from Huntington Stage Lines, Inc. and to hereafter operate thereunder, the operative rights as set forth in the opinion preceding this order, 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 Huntington Stage Lines, Inc. shall within twenty (20) days after the effective date of the order herein unite with applicants C. J. and C. E. Fortier in common supplement to the tariffs on file with the Commission, covering service given under the certificate herein authorized to be transferred, applicant Huntington Stage Lines, Inc. withdrawing and applicants C. J. and C. E. Fortier accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant Huntington Stage Lines, Inc. 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 applicants C. J. and C. E. Fortier shall within twenty (20) days after the effective date of the order herein file, in duplicate, in their own names time schedules covering service heretofore given by applicant Huntington Stage Lines, Inc. which time schedules shall be identical with the time schedules now on file with the Railroad Commission, in the name of applicant Huntington Stage Lines, Inc. 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 applicants C. J. and C. E. Fortier unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.
6. The authority herein granted shall lapse and be void if applicant shall not have complied with all of 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 this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 21<sup>st</sup> day of March, 1939.

  
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