

Decision No. 22645

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
ALICE A. RICHARDSON and LEE RICHARDSON,
copartners under the name Richardson Springs
Stage, for an order confirming transfer of
public utility property.

} Application No. 22645

BY THE COMMISSION:

O P I N I O N

In this application Alice A. Richardson and Lee Richardson, copartners doing business as Richardson Springs Stage, have requested authority from the Railroad Commission to acquire a prescriptive operative right for the automotive transportation of passengers between Chico and Richardson Springs.

It is alleged that Joseph H. Richardson, deceased, by deeds of conveyance prior to his demise, transferred to Alice A. Richardson and Lee Richardson an undivided fifty-one one-hundredths interest and forty-nine one-hundredths interest, respectively, in and to said prescriptive automotive operative right. Certified copies of such deeds, marked Exhibits "B" and "C" are attached to Application No. 22644, which application involves the transfer of other properties, and made a part thereof.

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

Alice A. Richardson and Lee Richardson 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 Alice A. Richardson and Lee Richardson, copartners doing business as Richardson Springs Stage, are hereby authorized to acquire the operative right described in the foregoing opinion, subject to the following conditions:

1. The approval herein granted 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.
2. Applicant Lee Richardson, as manager, shall within thirty (30) days after the effective date of the order herein and on not less than five (5) days' notice to the Commission and the public, unite with applicants Lee Richardson and Alice A. Richardson in common supplement to the tariff on file with the Commission, covering service given under the operative right herein involved, applicant Lee Richardson, as manager, withdrawing and applicants Lee Richardson and Alice A. Richardson adopting such tariff as their own.
3. Applicant Lee Richardson, as manager, shall within thirty (30) days after the effective date of the order herein, on not less than five (5) days' notice to the Commission and the public, withdraw all time schedules filed in the name of Lee Richardson, as manager, with the Railroad Commission, and applicants Lee Richardson and Alice A. Richardson shall within thirty (30) days after the effective date of the order herein file, in duplicate, in their own name time schedules covering service heretofore given under the operative right involved which time schedules shall be identical with the time schedules now on file with the Railroad Commission 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 Lee Richardson and Alice A. Richardson 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.

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

Dated at San Francisco, California, this 4th day of
April, 1939.

Robert H. ...
Frank ...
H. T. ...
Justin D. ...
COMMISSIONERS