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Decision No. <u>33986</u>

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) H. CONIGLIO and D. PETTAS to sell and) G. BUFFO to purchase an automobile) passenger line operated between) Pittsburg, California and the various) canneries at Antioch, California.)

Application No. 23956

ORIGINAL

BY THE COMMISSION:

OPINION

G. Buffo, H. Coniglio, and D. Pettas, co-partners, have petitioned the Commission for an order approving the sale and transfer by them to G. Buffo, an individual, of a common carrier operative right for the automotive transportation of passengers between Pittsburg, on the one hand, and certain canneries at or adjacent to Antioch, on the other hand, restricted to persons going to or coming from the said canneries and further restricted to operation during the canning seasons only. G. Buffo has petitioned for authority to purchase and acquire said operative right and hereafter to operate thereunder. The sale and transfer is to be made in accordance with an agreement, marked Exhibit "A," attached to and made a part of the application.

The consideration to be paid for the property herein proposed to be transferred is given as the sum of fifty dollars (\$50) which is declared to be the value of the operative right. No equipment is to be transferred.

The operative right herein proposed to be transferred was created by Decision No. 29176, dated October 13, 1936, on Application No. 20730.

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

G. Buffo 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 ORDERED that G. Buffo, H. Coniglio and D. Pettas, co-partners, are hereby authorized to transfer to G. Buffo, an individual, the common carrier operative right referred to in the foregoing opinion and G. Buffo is hereby authorized to acquir. said operative right and hereafter to operate thereunder, subject to the following conditions:

1. The authority herein granted shall lapse and be void if applicants 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. 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.

3. Applicants G. Buffo, H. Coniglio and D. Pettas shall within thirty (30) days after the effective date of the order herein, and upon not less than five (5) days' notice to the Commission and the public, unite with applicant G. Buffo in common supplement to the tariffs on file with the Commission covering the service given under the operative rights herein authorized to be transferred, applicants G. Buffo, H. Coniglio and D. Pettas withdrawing, and applicant G. Buffo accepting and establishing such tariffs and all effective supplements thereto. 4. Applicants G. Buffo, H. Coniglio and D. Pettas shall within thirty (30) days after the effective date of the order herein, and upon not less than five (5) days' notice to the Commission and the public, withdraw all time schedules filed in their name with the Railroad Commission and applicant G. Buffo shall within thirty (30) days after the effective date of the order herein, and upon not less than five (5) days' notice to the Commission and the public, file in triplicate, in his own name, time schedules covering service heretofore given by applicants G. Buffo, H. Coniglio and D. Pettas which time schedules shall be satisfactory to the Railroad Commission.

5. 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.

6. No vehicle may be operated by applicant G. Buffo 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.

The effective date of this order shall be the date

hereof.

March Dated at San Francisco, California, this 11 day of Rebruary, 1941.

COMMISSIONERS