

Decision No. 37084

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LASSEN TRAILWAYS, a California corpo-)
ration for order authorizing transfer) Application No. 26084
of properties to NORMAN H. ROBOTHAM.)

BY THE COMMISSION:

O P I N I O N

ORIGINAL

In this proceeding Lassen Trailways, a corporation, seeks authority to transfer to Norman H. Robotham, and the latter proposes to acquire, an operative right as a passenger stage corporation, as defined by Section 2 $\frac{1}{2}$, Public Utilities Act, and the equipment used in conducting such service. This operative right, which was acquired by Lassen Trailways pursuant to Decision No. 35313, rendered May 5, 1942, in Application No. 24880, authorizes the transportation of passengers between Marysville and Yuba City. Robotham, it appears, is the owner of all of the issued and outstanding capital stock of Lassen Trailways, and has managed the business since its inception. In consideration of the transfer of the operative right and property described, Robotham will assume all of the liabilities of Lassen Trailways. In our judgment the application should be granted. This is not a matter in which a public hearing is required.

Norman H. Robotham is placed upon notice that "operative rights" as such do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. 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.

ORDER

Application having been made as above entitled; and good cause appearing,

IT IS ORDERED as follows:

(1) That Lessen Trailways, a corporation, is authorized to sell and transfer, on or before December 31, 1944, and Norman H. Robotham to purchase and acquire the operative right, as a passenger stage corporation, and property, referred to in the foregoing opinion, and thereafter to operate under said operative right.

(2) That applicant shall comply with the provisions of General Order No. 79 and Part IV of General Order No. 93-4 by filing, in triplicate, and concurrently making effective, appropriate tariffs and time schedules satisfactory to the Commission within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and the public.

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

Dated at Los Angeles, California, this 31st day of May, 1944.

[Signature]
Justice F. Casper

[Signature]

COMMISSIONERS