Decision No. 39326

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of HUMBOLDT MOTOR STAGES, INC., a corporation, to sell and THOMAS B. RILEY to purchase operative rights and equipment used in connection with an automobile circle tour sightseeing service and for the transportation of passengers and their hand baggage between Redding and Shasta Damsite, California, and confirmation of certain operations.)

ORIGINAL

Application No. 27655

## OPINION

Among the operations conducted by Humboldt Motor Stages, Inc., is a sight-seeing service for the transportation of passengers on a continuous round trip sight-seeing tour beginning and ending at Redding, California. The principal point of interest on this tour is the Shasta Damsite. This carrier also conducts a service for the transportation of passengers and their baggage between Redding and Shasta Dam Power House and intermediate points via Project City, Central Valley and Summit City using U. S. Highway (1)
No. 99 and Grand Coulee Boulevard.

By the above entitled application, as amended, the Commission is requested to authorize Humboldt Motor Stages, Inc., to sell and Thomas B. Riley to purchase such operative rights and three units of automotive equipment. The proposed sale would be

<sup>(1)</sup> These rights were created by Decision No. 31745 dated February 14, 1939, in Application No. 22205, and Decision No. 31312, dated September 26, 1938, in Application No. 19250. Decision No. 32813 dated February 13, 1940 in Application No. 19250 authorized the abandonment of the transportation of property between Redding and Kennettas previously authorized by Decision No. 31312. Humboldt Motor Stages was authorized by Decision No. 32896, dated March 12, 1940, in Applications Nos. 23295 and 23296 to lease from L. T. Alward for a term of four years with an option to purchase these rights. Decision No. 37072, dated May 23, 1944, authorized Humboldt Motor Stages to exercise its option and purchase such rights.

made pursuant to an agreement attached to the amended application as Exhibit "A". The purchase price is shown to be \$7,000. Of the purchase price it is stated that \$2,500 represents the value of the operative rights and the remainder the value of the equipment proposed to be transferred. Of the purchase price \$3,000 in cash would be paid by the buyer to the seller when the Commission authorizes the transfer as sought, the remainder of the purchase price to be paid within one year after such authorization and to be evidenced by a promissory note executed by the purchaser bearing interest at the rate of 5% per annum.

The application states that the operation authorized between Redding and Kennett and intermediate points has been modified by the flooding of Shasta Lake and the inundation of the town of Kennett; that said service has been for several years last past conducted in fact between Redding and Shasta Dam Power House via Project City, Central Valley, Summit City, Shasta Demsite and intermediate points over U. S. Highway No. 99 for seven miles north of Redding thence over Shasta Dam Road (sometimes known as Grand Coulee Boulevard) from Project City to Shasta Dam and the Power House. Applicants request not only the right to make the sale and purchase of the operative rights above referred to, but also seek a confirmation of the service presently rendered between Redding and Shasta Dam Power House, the portion of such service beyond the Power House to Kennett having been discontinued for the reason above stated.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary and that the requests of applicants should be granted as provided in the following order.

The operative right granted by Decision No. 31312 in Application No. 19250 authorizing service between Redding and Kennett and intermediate points will be revoked and annulled and a new certificate in lieu thereof will be issued to the transferee to conform to the operation presently conducted because of the flooding of the other points authorized to be served. The action taken herein shall not be construed to be a finding of the value of the rights and properties herein authorized to be transferred.

## ORDER

An application having been made to the Commission requesting authority to transfer operative rights and property, and good cause appearing,

## IT IS ORDERED as follows:

- (1) That Humboldt Motor Stages, Inc. may, after the effective date hereof and on or before October 30, 1946, sell and transfer to Thomas B. Riley, and the latter may purchase and acquire the equipment and operative rights referred to in the foregoing opinion and thereafter operate thereunder, said transfer to be made pursuant to the terms and conditions of the agreement attached to the amended application as Exhibit "A".
- (2) That a certificate of public convenience and necessity is hereby granted to Thomas B. Riley authorizing the transportation of passengers and baggage between Redding and Shasta Dam Power House and intermediate points via Project City, Central Valley, Summit City and Shasta Damsite, not in addition to but in the place and stead of the operative right granted by Decision No. 31312 in Application No. 19250 and the operative right created by said

Decision No. 31312 is hereby revoked and annulled.

- (3) Applicants shall comply with the provisions of General Order No. 79 and Part IV of General Order No. 93-A by filing, in triplicate and concurrently making effective appropriate tariffs and time tables within 90 days from the effective date hereof and on not 1-ss than one day's notice to the Commission and the public.
- (4) Thomas B. Riley shall file with the Commission a copy of the entry, or entries, used to record on his books of account the purchase and acquisition of the properties herein authorized to be transferred.
- (5) In conducting service pursuant to the certificate granted in paragraph (2) hereof, operations shall be over U. S. Highway No. 99 between Redding and Project City, thence over Grand Coulee Boulevard (Shasta Dam Road).

The effective date of this order shall be 10 days from the date hereof.

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