

ORIGINAL

Decision No. ~~40521~~

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 JOSEPE T. ARSENIO, RUSSELL B. MINEAU, )  
 LEONARD J. RONG, CLINTON E. LOOMIS, )  
 IVAN A. LOOMIS, J. VARD LOOMIS, a )  
 co-partnership dba ARROYO GRANDE )  
 TRUCK COMPANY, transferor, to sell )  
 and transfer highway common carrier )  
 operative rights, equipment, real )  
 estate and business to SALVADOR D. )  
 REYES, RUSSELL B. MINEAU, LEONARD J. )  
 RONG, CLINTON E. LOOMIS, IVAN A. )  
 LOOMIS, J. VARD LOOMIS, a co-partner- )  
 ship dba Arroyo Grande Truck Company, )  
 transferee. )

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Application  
No. 28572

OPINION AND ORDER

Joseph T. Arsenio, Russell B. Mineau, Leonard J. Rong, Clinton E. Loomis, Ivan A. Loomis and J. Vard Loomis, partners doing business under the firm name and style of Arroyo Grande Truck Company, are the owners of operative rights, acquired by them pursuant to authority granted by Decision No. 37458, dated November 9, 1944, authorizing the operation of an automotive freight line for the transportation of fresh fruits and vegetables between points in Santa Barbara and San Luis Obispo Counties, on the one hand, and Los Angeles, San Jose, Oakland and San Francisco, on the other hand. (1) In addition to their operative rights they report ownership of nine trucks, eleven trailers and certain real property.

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(1) The application shows that the present partnership reports its investment in fixed assets at \$48,279. Total revenues amounted to \$138,703 in 1946 and to \$51,025 for the first five months of 1947.

The application shows that Joseph T. Arsenio desires to retire from the partnership and has made arrangements to sell his one-sixth interest to Salvador D. Reyes for the sum of \$2,500. The purchaser and the five remaining individuals of the present partnership propose to continue the business and operations as a new partnership.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary and that the application should be granted, as herein provided. At this time, applicants are hereby 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.

Therefore, good cause appearing,

IT IS HEREBY ORDERED as follows:

1. Joseph T. Arsenio, Russell B. Mineau, Leonard J. Rong, Clinton E. Loomis, Ivan A. Loomis and J. Vard Loomis, after the effective date hereof and on or before September 30, 1947, may transfer to Salvador D. Reyes, Russell B. Mineau, Leonard J. Rong, Clinton E. Loomis, Ivan A. Loomis and J. Vard Loomis, the operative rights acquired by them pursuant to authority granted by Decision No. 37458, dated November 9, 1944 and their operating equipment.

2. Applicants shall comply with the provisions of General Order No. 80 and Part IV of General Order No. 93-A, by filing, in triplicate, and concurrently making effective, appropriate tariffs and time tables within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and to the public.

3. The authority herein granted is not to be construed to be a finding of value of the properties herein authorized to be transferred.

4. The authority herein granted will become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 22<sup>nd</sup> day of July 1947.

Harold J. Hills  
Justus F. Calver  
John H. Russell  
R. F. [unclear]

Commissioners