

Decision No. 40553

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GREYHOUND LINES, a corpora-)
tion, to sell, and of V. L. THORSON,)
an individual, to purchase passenger)
stage certificate to operate between)
Corcoran and Tulare via Waukena.)

Application No. 28402

In the Matter of the Application of)
V. L. THORSON, an individual, for a)
certificate to operate a passenger)
stage service between Corcoran and)
Hanford via Guernsey.)

Application No. 28403

O P I N I O N

By Application No. 28402, Pacific Greyhound Lines proposes to sell to V. L. Thorson and the latter to buy an operative right for the transportation of passengers, baggage and express between Corcoran and Tulare and intermediate points via Waukena. By Application No. 28403, V. L. Thorson requests a certificate authorizing the transportation of passengers, baggage and shipments of express weighing not in excess of 100 pounds between Corcoran and Hanford and intermediate points via Guernsey. Applicant Thorson proposes to consolidate the two operations in order to provide a through service between Tulare and Hanford via Corcoran. Initially two daily round trip schedules would be operated. The present fares, rates, rules and regulations in effect by Pacific Greyhound Lines between Corcoran and Tulare would be continued by applicant Thorson who would establish comparable fares and rates between Corcoran and Hanford. According to the copy of an agreement of sale entered into by Pacific Greyhound Lines, as the seller, and V. L. Thorson, as the buyer, attached to the application as

Exhibit "A", (Application No. 28402), \$100 cash would be paid for the operative right between Corcoran and Tulare payable within five days of the approval of the sale by the Commission. No equipment is involved in the transfer.

The applications state in substance that under applicant Thorson's proposal a through service would be provided between Tulare and Hanford without the necessity of transfer at Corcoran. Under such plan persons desiring to travel between Corcoran and Hanford would have available a more direct route than that presently available via Tulare.

Evidence of record shows that applicant Thorson is qualified both financially and by experience to establish the proposed operation. Copies of the application for a certificate have been furnished to The Atchison, Topeka & Santa Fe Railway Company and Orange Belt Stages the only other carriers in the field. They have waived protest to the granting of the applications.

After full consideration of all the evidence of record, it is our conclusion and we find that public convenience and necessity require the transfer of the operative right as requested, and the establishment of the service proposed by applicant Thorson. No public hearing is necessary.

V. L. Thorson is 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.

O R D E R

Applications therefor having been filed and it having been found that public convenience and necessity so require,

IT IS ORDERED:

(1) That Pacific Greyhound Lines, after the effective date hereof and on or before August 31, 1947, may transfer to V. L. Thorson and the latter may acquire the operative right between Corcoran and Tulare and intermediate points via Waukena granted by Decision No. 29384 in Application No. 20761.

(2) That if the transfer authorized in part (1) hereof is consummated Pacific Greyhound Lines and V. L. Thorson shall comply with the provisions of General Orders Nos. 79 and 80 and Part IV of General Order No. 93-A by filing in triplicate and concurrently making effective appropriate tariffs and time tables within 60 days from the effective date hereof and on not less than 5 days' notice to the Commission and the public.

(3) That a certificate of public convenience and necessity is hereby granted to V. L. Thorson authorizing the transportation of passengers, baggage and express between Corcoran and Hanford and intermediate points via Guernsey as an extension and

enlargement of and consolidated with the operative right acquired pursuant to part (1) hereof subject to the following condition:

The transportation of express between Tulare, Corcoran, Hanford and intermediate points shall be limited to shipments weighing 100 pounds or less on passenger carrying vehicles only.

(4) That in providing service pursuant to the certificate herein granted, applicant Thorson shall comply with and observe the following service regulations:

- a. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed 30 days from the effective date hereof.
- b. Within 60 days from the effective date hereof and on not less than 5 days' notice to the Commission and the public, applicant shall establish the service herein authorized and comply with the provisions of General Orders Nos. 79 and 80 and Part IV of General Order No. 93-A, by filing in triplicate and concurrently making effective, appropriate tariffs and time tables.
- c. Subject to the authority of this Commission to change or modify them by further order, applicant Thorson shall conduct operations pursuant to the authority herein granted over and along the following routes:

Over the main highway between Hanford and Tulare via Odessa, Guernsey, Corcoran and Waukena.

(5) That the authority herein granted is not to be construed to be a finding of value of the properties herein authorized to be transferred.

The effective date of this order shall be 20 days from the date hereof.

Dated at San Francisco, California, this 21nd day of

July
~~June~~, 1947.

(RP)

Harold P. Kula
Justin J. Gallen
Frank Powell
R. J. Johnson

COMMISSIONERS