

Decision No. 40556

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of A. J. CHAPIN)
 to sell and EARL F. PERRY and ALFRED F. AMARO to)
 purchase an automotive passenger line operated) Application No. 28550
 between the City of Auburn, California, and)
 McClellan Field, California.)

ORIGINAL

O P I N I O N

By this application A. J. Chapin requests authority to sell, and Earl F. Perry and Alfred F. Amaro, as co-partners, to purchase, a passenger stage operative right between Auburn and McClellan Field. The right was originally granted to Chapin by Decision No. 39102, dated June 18, 1946, in Application No. 27518. The consideration for the sale of the right is stated in the agreement attached to the application to be the sum of \$1.00. The seller has been operating with rented equipment, consequently no operative equipment will be transferred.

The service has been conducted for several years primarily for the transportation of employees of McClellan Field from their residences in Placer County to their place of employment at the field. The buyers are permanent employees at McClellan Field and formerly drove the buses between the field and Auburn as employees of the previous operator, Crockard Chevrolet Company, until June 30, 1946. Since then they have driven for Chapin, and now wish to operate the line as owners.

Fares named in the proposed tariff include one-way and round-trip tickets and commutation books. No changes in present rates will be made. The summer time schedule, subject to change in accordance with changes in working hours at McClellan Field, provides for one round trip between termini 22 days per month, leaving Auburn at 5:35 a.m. and McClellan Field at 3:55 p.m. Applicants list combined assets of \$17,800, consisting of cash, bonds, real estate, and automobiles, and no liabilities.

Cabson Lines, which operates a passenger stage service between points in the general territory, has advised the Commission that it does not desire to protest the granting of the application.

Upon full consideration of the application we believe that the proposed transfer will be consistent with the public interest, and it will therefore be authorized. A public hearing is not necessary.

Earl F. Perry and Alfred F. Amaro 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.

ORDER

An application therefor having been filed and considered, it having been found that the transfer of operative authority proposed therein is consistent with the public interest, and the Commission now being fully advised,

IT IS ORDERED:

(1) That A. J. Chapin be and he is hereby authorized, on or before October 1, 1947, to transfer to Earl F. Perry and Alfred F. Amaro, co-partners, the certificate of public convenience and necessity heretofore granted to said Chapin by Decision No. 39102, dated June 18, 1946, in Application No. 27518, authorizing service as a passenger stage corporation between Auburn, Placer County, and McClellan Field, Sacramento County, and said Perry and Amaro are hereby authorized to acquire said certificate and to operate thereunder.

(2) That 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 sixty (60) days from the effective date hereof and on not less than one day's notice to the Commission

and the public.

(3) That the authority herein granted is not to be construed as a finding of value of the property herein authorized to be transferred.

The effective date of this Order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 22nd day of July, 1947.

[Handwritten signature]

Harold Huls
Justin F. Cooper
Donald K. Russell
A. J. [unclear]

Commissioners