MENGINGER

Decision No. 41102

REFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of R. H. HIGGINBOTRAM, FLORANE FREELAND HIGGINBOTRAM, FLORANE FREELAND EXCEPTION and RICHARD O. RICHARDS, a copartnership, doing business as OROVILLE TRUCK AND STORAGE COMPANY, to sell, and of WALLACE H. HIGGINBOTHAM and RICHARD O. RICHARDS, a copartnership, to purchase equipment and operating rights as a highway common carrier between Oroville and Oroville Junction, Butte County, California.

Application No. 28954

OPINION AND ORDER

This application shows that R. H. Higginbotham, Florane Freeland Higginbotham and Richard G. Richards, partners doing business under the name of Oroville Truck and Storage Company, are engaged, among other things, in business as highway common carriers under a certificate of public convenience and necessity acquired pursuant to authority granted by Decision No. 39040, dated June 5, 1946, covering the transportation of property moving in the custody of Sacramento Northern Railway between Groville and Oroville Junction, and that they now desire to transfer their operative rights and properties to a new partnership consisting of Wallace E. Higginbotham and Richard G. Richards.

The properties to be transferred include the certificate of public convenience and necessity, ten motor vehicles and miscellaneous equipment. The consideration to be paid, according to

ror the year ending June 30, 1947, the present owners report revenues from carrier operations at \$10,968.69 and from other operations at \$11,044.36, a total or \$22,013.05, with net profits of \$4,623.29. They report their total assets as of June 30, 1947, at \$18,897.44 and liabilities at \$5,066.58.

the application, is \$18,099.62, with no part thereof being assigned by applicants to the operative rights.

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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.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

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, therefore,

IT IS REREBY ORDERED as follows:

- 1. R. H. Higginbothsm, Florane Freeland Higginbothsm and Richard O. Richards, siter the effective date hereof and on or before February 28, 1948, may transfer to Wallace H. Higginbotham and Richard O. Richards the operative rights and properties referred to herein, and Wallace H. Higginbotham and Richard O. Richards may acquire and operate such rights and properties.
- 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, ap-

propriate 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 will become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 6th day

of January , 1948.

Justen & Ceacus

Heweth Potter