

Decision No. 41239

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
ANTHONY ESPINOSA to sell and WAYNE)	
WHITE to purchase automotive)	
passenger, baggage and express)	Application No. 29035
operative rights operated between)	
Chico, Paradise and Stirling City,)	
California, and intermediate points.)	

O P I N I O N

In this application the Commission is requested to authorize Anthony Espinosa to sell and transfer to Wayne White and the latter requests authority to purchase from the former an operative right for the transportation of passengers, baggage and express between Chico and Stirling City and intermediate points. This right was created by Decision No. 5704 in Application No. 4018 and through successive transfers was eventually acquired by Anthony Espinosa, the seller herein, under authority of the Commission's Decision No. 39454 in Application No. 27758.

By the terms of an agreement attached to the application as Exhibit "A", the buyer proposes to pay the seller the sum of \$5,300 of which \$300 is said to represent the value of equipment and the remainder represents the value of the operative rights. One thousand dollars has already been paid by the buyer to the seller, and an additional \$3,000 is to be paid upon receipt of authority of the Commission to make the transfer requested, and the remainder of \$1,300 is to be paid without interest within eight months thereafter. Applicant Espinosa reports for the calendar year 1947 gross operating revenues of \$13,851.65 and operating expenses of \$9,531.87 resulting in a net operating revenue of \$4,319.78.

After full consideration we find that the public interest would not be adversely affected by approval of the transfer of the operative rights and properties with which we are here concerned and that a public hearing is not necessary herein. Accordingly, the application will be granted. However, the action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

Wayne White 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

An application having been filed requesting authority to transfer operative rights and properties, the Commission now being fully informed in the premises and good cause appearing,

IT IS ORDERED that:

(1) After the effective date hereof and on or before May 15, 1948, Anthony Espinosa may transfer to Wayne White, and the latter may acquire from the former the operative rights and properties described in the foregoing opinion.

(2) Applicants 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 after the effective date hereof and on or before May 15, 1948 on not less than five days' notice to the Commission and the public.

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

Dated at San Francisco, California, this 24th day of February, 1948.

W. Z. Underwood
Justin Z. Calver
Frank H. Howell
Harold H. Hill
Samuel P. Potter
COMMISSIONERS