

ORIGINAL

Decision No. 41495

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 RUSSELL B. MINEAU, LEONARD J. RONG,
 CLINTON E. LOOMIS, IVAN A. LOOMIS,
 J. VARD LOOMIS and SALVADORE D. REYES,
 a co-partnership doing business as
 ARROYO GRANDE TRUCK COMPANY, transferor,
 to sell and RUSSELL B. MINEAU, LEONARD
 J. RONG, CLINTON E. LOOMIS, BENJAMIN
 D. CONRAD, JR., J. VARD LOOMIS, and
 SALVADORE D. REYES, a co-partnership
 doing business as ARROYO GRANDE TRUCK
 COMPANY to purchase an automotive
 freight line operated between points
 in Santa Barbara and San Luis Obispo
 Counties and Los Angeles, San Jose,
 Oakland and San Francisco, California.

Application No. 29227

OPINION AND ORDER

Russell B. Mineau, Leonard J. Rong, Clinton E. Loomis,
 Ivan A. Loomis, J. Vard Loomis and Salvadore D. Reyes, partners
 doing business as Arroyo Grande Truck Company, pursuant to authority
 granted by Decision No. 40531 in Application No. 28572 are conducting
 a highway common carrier operation for the transportation of fresh
 fruits and vegetables and certain other commodities between points
 in Santa Barbara and San Luis Obispo Counties, on the one hand, and
 San Jose, San Francisco, Oakland and Los Angeles, on the other hand.

The above-entitled application shows that Ivan A. Loomis
 desires to retire from the partnership and has made arrangements to
 sell and transfer his interest therein to Benjamin D. Conrad, Jr., for
 the sum of \$2,500. Benjamin D. Conrad, Jr., and the five remaining
 individuals of the present partnership propose to continue the
 business and operation as a new partnership.

(1) The application shows that the present partnership has an invest-
 ment and fixed assets of \$45,396.99. Total operating revenues,
 expenses and net operating revenue of the present partnership for
 the year 1946 are reported to be \$157,642.81, \$147,286.61 and
 \$10,356.20, respectively.

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.

Russell B. Mineau, Leonard J. Rong, Clinton E. Loomis, J. Vard Loomis, Salvadore D. Reyes and Benjamin D. Conrad, Jr., 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, and good cause appearing,

IT IS ORDERED as follows:

(1) That Russell B. Mineau, Leonard J. Rong, Clinton E. Loomis, Ivan A. Loomis, J. Vard Loomis and Salvadore D. Reyes, after the effective date hereof and on or before July 1, 1948, may sell and transfer to Benjamin D. Conrad, Jr., Russell B. Mineau, Leonard J. Rong, Clinton E. Loomis, J. Vard Loomis and Salvadore D. Reyes the operative right acquired by the sellers pursuant to Decision No. 40531 in Application No. 28572 and the equipment and property described in Exhibit "E" attached to the application.

(2) That applicants shall comply with the provisions of General Orders Nos. 80 and 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 one day's notice to the Commission and the public.

(3) 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 20th day of April, 1948.

R. T. Dwyer
Justice F. C. Cullen
W. H. R. R. R. R. R.

Samuel L. Lott
COMMISSIONERS