

ORIGINAL

Decision No. 41779

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
MARTIN J. YRIBARREN and ELSIE YRIBARREN, :  
his wife, co-partners, to sell, and RENO- )  
LOYALTON-CALPINE STAGE LINES, INC., a :  
corporation, to purchase an automotive ) Application  
stage line operated between Hallelujah : No. 29431  
Junction, California (a point on the )  
California-Nevada boundary line where :  
U. S. Highway 395 first enters the State )  
of California North of Reno, Nevada) :  
and Sierraville, California. )  
-----: )

O P I N I O N

This is an application for an order of the Public Utilities Commission authorizing Martin J. Yribarren and Elsie Yribarren, his wife, hereinafter referred to as "Sellers", to sell operative rights and properties to Reno-Loyalton-Calpine Stage Lines, Inc., hereinafter referred to as "Buyer".

Sellers, doing business under the firm name and style of Reno-Loyalton-Calpine Stage, are engaged in the operation of an automotive stage line for the transportation of passengers, baggage, express and mail between Reno, Nevada, and Sierraville, California. (1) Buyer is a corporation organized on or about April 10, 1948, under the laws of the State of Nevada for the purpose of taking over the assets and liabilities of the stage line operated by Sellers. An agreement, dated May 5, 1948,

(1) It appears that Sellers commenced operations on June 1, 1946. They have reported their operating revenues at \$4,710.47 for the last seven months of 1946 and at \$6,653.23 for the year 1947, with a loss of \$96.86 in 1946 and of \$263.00 in 1947.

between Sellers and Buyer for the sale of the stage line is on file in this proceeding as Exhibit "A".

The properties to be transferred are described in the agreement as follows:

- (1) Those certain motor vehicle operating rights covering the transportation of passengers, baggage, express and mail in the same vehicle with the passengers, as more particularly described in the Decision No. 33985 of the Railroad Commission of the State of California, now the Public Utilities Commission of the State of California.
- (2) Those certain motor vehicle operating rights held under and by virtue of authority issued by the Inter-State Commerce Commission in Docket No. MC 1424 covering the transportation by motor vehicle as a common carrier of passengers and their baggage, express, mail and newspapers in the same vehicle with passengers over regular routes between Reno, Nevada, and Sierraville, California; from Reno over U. S. Highway 395 to Hallelujah, California, thence over California Highway 24 to Vinton, California, and thence over un-numbered highway via Loyalton, California, to Sierraville, California, and return over the same route.
- (3) All of the assets of the business heretofore conducted by the Parties of the Second Part (Sellers) under the name and style of Reno-Loyalton-Calpine Stage, including the bus used for the transportation of passengers, and the accounts receivable.

Buyer agrees to assume the liabilities of Sellers incurred in connection with the operation of the stage line and to issue 50,000 shares of its common stock in payment for the properties. This application contains no request for permission to issue stock or assume indebtedness.

Buyer 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.

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

O R D E R

Application having been made to the Public Utilities Commission of the State of California as indicated herein, and the Commission having considered the matter and being of the opinion that a public hearing is not necessary and that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. Martin J. Yribarren and Elsie Yribarren, his wife, after the effective date hereof and on or before October 31, 1948, may sell and transfer to Reno-Loyalton-Calpine Stage Lines, Inc. the operative rights in California acquired by them pursuant to authority granted by Decision No. 38985, dated May 21, 1946, and the assets referred to in this proceeding.

2. Applicants shall comply with the provisions of General Orders No. 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 ninety (90) 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 29th day of June, 1948.

R. J. [Signature]  
Justice F. Coe  
[Signature]  
Harold P. Kule  
[Signature]  
Commissioners