

ORIGINAL

Decision No. 42213

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 DON E. COCHRANE, dba Redlands Bus)
 Lines, to sell, and BUSTER L. BURRIS)
 to purchase, an automobile passenger) Application No. 29724
 stage service and bus line with the)
 City of Redlands, California, and as)
 a common carrier between Mentone and)
 the City of Redlands, California.)

O P I N I O N

By Decision No. 39474, dated October 1, 1946, on Application No. 27464, Don E. Cochrane was authorized to establish and operate a passenger stage service in the City of Redlands and vicinity. He now requests authority to sell and transfer to Buster L. Burris said operative right and the equipment used in performing the service which consists principally of one 1946, 27-passenger International Bus.

The consideration to be paid is \$5,000 cash, of which amount \$3,500 is for equipment and \$1,500 for the operating right.

For the year ending December, 1947, Don E. Cochrane reported total operating revenue of \$7,069.89 and total operating expenses of \$4,296.60, resulting in a net operating income of \$2,773.29.

A financial statement filed by Buster L. Burris in support of this application shows total tangible assets of \$5,990 and no liabilities as of September 1, 1948.

Applicant Cochrane states that he is in poor health and that his doctor has advised him to change his occupation which is the reason given for the proposed sale.

Applicant Burris proposes to continue to operate the same service which Cochrane is authorized to perform.

After full consideration of the matter, the Commission is of the opinion and finds that the proposed sale and transfer is not contrary to the public interest and, therefore, the application will be granted. A public hearing is not necessary.

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

Buster L. Burris 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

Application having been made in the above-entitled matter, the Commission being fully advised in the premises, and finding that said application should be granted,

IT IS ORDERED:

(1) That Don E. Cochran be, and he hereby is, authorized to sell and transfer to Buster L. Burris, the operative right acquired under authority of Decision No. 39474, on Application No. 27464, and the equipment referred to in the above opinion and the agreement of sale, filed as Exhibit "A" with this Application, and that Buster L. Burris be, and he hereby is, authorized to purchase and acquire said operative right and property and thereafter to operate same subject to the following conditions:

- (a) That, in the event the authority to transfer is exercised, Buster L. Burris shall notify the Commission thereof within ten (10) days after the actual date of such transfer.
- (b) Buster L. Burris shall, within sixty (60) days from the effective date hereof and upon not less than five (5) days' notice to the Commission and the public, establish the service herein authorized and 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, tariffs and time schedules satisfactory to the Commission.
- (c) That, if the purchaser acquires said operative right and property, he may charge to Account No. 150, Organization, Franchises and Permits, Subaccount 152, not more than \$50 of the purchase price of the operative right.
- (d) That the authorization herein granted shall lapse and become void if not exercised within six (6) months from the effective date hereof unless further time is granted by subsequent order.

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

Dated at New Orleans, California, this 9th day of November, 1948.

R. J. Murray
Justus F. Cravens
W. H. F. L. L. L.
W. H. F. L. L. L.
W. H. F. L. L. L.

COMMISSIONERS