

Decision No. 42683

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
T. E. SHAMBLIN to sell, and RAY K. PARSON )  
to purchase an automobile passenger line )  
and express service operated between ) Application No. 30121  
Santa Maria and Santa Maria Municipal )  
Airport. )

# O P I N I O N

In this proceeding the Commission is requested to authorize T. E. Shamblin to sell and Ray R. Parson to purchase a passenger stage operative right between Santa Maria and Santa Maria Airport together with one unit of passenger stage equipment. The application states that the purchase price to be paid for the equipment proposed to be transferred is \$4,100 to be paid at the time the purchase is authorized. No value is assigned to the operative right. The operative right proposed to be transferred was created by Decision No. 41026 in Application No. 28915. It authorized the transportation of passengers, baggage and shipments of express not to exceed 40 pounds each on passenger carrying vehicles only, between Santa Maria and Santa Maria Municipal Airport.

Exhibit "B" shows that the buyer has a net worth of approximately \$14,500. Gross operating income and net profit for that operation for the year 1948 is stated to be \$67,441 and \$7,284, respectively. There is no proposal to make any changes in the rates or charges now in effect.

The transfer of operative rights and property as requested does not appear to be adverse to the public interest and will be authorized. However the action taken herein shall not be construed

to be a finding of the value of the properties herein authorized to be transferred. No public hearing is necessary.

Ray K. Parson 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 therefor having been filed, good cause appearing,

IT IS ORDERED:

(1) That T. E. Shamblin is hereby authorized to transfer to Ray K. Parson on or before June 1, 1949, the operative rights and equipment referred to in the foregoing opinion and Ray K. Parson may acquire said operative rights and properties and equipment and thereafter conduct the operation under said right.

(2) Applicants shall comply with the provisions of General Orders Nos. 79,80 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 5 days' notice to the Commission and the public.

(3) That within 30 days after the consummation of the transfer herein authorized, Ray K. Parson shall notify the Commission in writing of that fact, and shall within said period file with the

Commission a true copy of any bill of sale or other instrument of transfer which may have been executed to effect the transfer authorized.

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

Dated at San Francisco, California, this 5<sup>th</sup> day of April, 1949.

R. Z. Zimmerman  
Justice J. G. Gower  
Justice J. G. Gower  
Harold K. Kille

Commissioners