

ORIGINAL

Decision No. 43238

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 GEORGE W. GILSON and FRANK J. DAHM, to)
 sell the interest of George W. Gilson,)
 and C. J. BLACK, to purchase the) Application No. 30503
 interest of George W. Gilson in an)
 automotive passenger line operated)
 between Huntington Beach and Santa Ana.)

O P I N I O N

The above-entitled matter is a joint application in which George W. Gilson and Frank J. Dahm propose to sell to C. J. Black and the latter proposes to acquire the interest of George W. Gilson in a passenger-stage operative right between Huntington Beach and Santa Ana as created by Decision No. 42964 in Application No. 30228, and one unit of automotive equipment.

The proposed sale and transfer would be made for a cash consideration of \$75.00, of which \$10.00 has been paid by the purchaser to the sellers, the remainder to be paid upon the receipt of authorization of the proposed transfer by the Commission. Of the total purchase price the application states that \$60.00 represents the value of one 1944 year model 33-passenger capacity Dodge bus and the remainder the value of the operative right.

After full consideration it is hereby found that the public interest would not be adversely affected by the approval of the proposed transfer of operative rights and property with which we are here concerned. Accordingly, the application will be granted. No public hearing is necessary.

The action taken herein shall not be construed to be a

finding of value of the properties which will be authorized to be transferred.

C. J. Black and Frank J. Dahm 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.

O R D E R

An application having been made to the Public Utilities Commission for an order authorizing the transfer of an operative right and properties and the Commission being of the opinion that the application should be granted,

IT IS ORDERED:

- (1) That Frank J. Dahm and George W. Gilson, partners, may transfer to Frank J. Dahm and C. J. Black the operative rights and properties referred to in the foregoing opinion and the latter may acquire and thereafter conduct operations under said operative rights.
- (2) That within 30 days after the consummation of the transfer herein authorized, Frank J. Dahm and C. J. Black 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 be executed to effect said transfer.

(3) Applicants shall comply with the provisions of General Orders Nos. 79 and 93-A by filing in triplicate, and concurrently making effective, appropriate tariffs and time tables within sixty days from the effective date hereof, and on not less than 5 days' notice to the Commission and the public.

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

Dated at San Francisco, California, this 23rd day of August, 1949.

R. E. Zimmerman
Justin J. Cullen
Ray H. France
Harold P. Kula

COMMISSIONERS