

ORIGINAL

Decision No. 45425

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of U. W. Metter to sell and Gustave)
W. Metz to purchase the Delano Bus)
Line, operated between Fourth and)
Ellington Streets in the City of)
Delano, Kern County, California to)
the High School Section, to the)
Greenacres Subdivision, to Sierra Vista)
Ranch; also alternate route by way of)
Cecil Avenue to Zachary Road, to the)
Sierra Vista Ranch, Tulare County,)
California.)

Application No. 32123

OPINION

The Commission is herein requested to authorize U. W. Metter, who is conducting a passenger stage service between Delano and Olive Grove Camp and Schenley Camp, to sell his operative rights and one passenger carrying bus to Gustave W. Metz. The Agreement of Sale, a copy of which is attached to the application as Exhibit "A", provides that Metz is to pay \$600 in cash conditioned only upon approval of the transfer by this Commission. Of this amount, \$550 is allocated to the equipment and the balance to the value of the operative rights.

The application discloses that the proposed purchaser has assets of \$5213, of which \$1510 is money on hand.

A public hearing does not appear to be necessary in this matter. We find that the public interest will not be adversely affected by approval of the transfer of the operative rights hereinabove specified. The application will therefore be granted. The

(1) The operative rights proposed to be transferred were granted by Decision No. 43832 dated February 20, 1950.

action taken herein, however, is not to be construed as a finding of the value of the property or operative right involved.

Gustave W. Metz 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 as above entitled having been filed and the Commission having found that the public interest would not be adversely affected,

IT IS ORDERED:

(1) That U. W. Metter be and he is hereby authorized to sell and transfer to Gustave W. Metz the operative rights and equipment referred to herein and Gustave W. Metz be and he is hereby authorized to purchase and thereafter operate the same, such sale and transfer to be made in accordance with the terms of their agreement of sale dated January 24, 1951.

(2) That U. W. Metter and Gustave A. Metz shall comply with the provisions of General Order No. 79 and Part 19 of General Order No. 98 by filing in triplicate and concurrently making effective appropriate tariffs and time tables within sixty (60) days after the effective date hereof and on not less than five (5) days' notice to the Commission and the public.

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

Dated at San Francisco, California, this 1st day of March, 1951.

R. E. [unclear]
Justin J. Casner
Harold A. Hill

Deane H. [unclear]
Robert E. [unclear]

COMMISSIONERS