

Decision No. 47144**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of )  
 JEROME LOFGREN, doing business as )  
 CHICO-PARADISE-STIRLING CITY STAGE )  
 LINES to sell, and C. B. GREEN to )  
 purchase an automotive passenger ) Application No. 33338  
 and express line operated between )  
 Chico and Stirling City, and Paradise )  
 and Oroville, California, and inter- )  
 mediate points. )

O P I N I O N

The Commission is herein requested to authorize Jerome Lofgren to sell and C. B. Green to purchase a passenger stage operative right and certain equipment <sup>(1)</sup>.

The contract of sale, a copy of which is attached to the application, provides that Green is to pay \$4950, of which \$3500 is allocated to the equipment and \$1450 to the operative right. The vendee is to pay \$2500 in cash and the balance at the rate of \$110 a month with interest at the rate of six per cent per annum. The vendor will retain legal title to the equipment until the contract is fully performed.

The application discloses that the proposed purchaser has assets of \$33,850, including \$5275 in cash, and a mortgage liability of \$10,000. Green also has had experience as a common carrier.

Under the circumstances presented, we find that the proposal of the applicant is not adverse to the public interest, and therefore will be authorized. No public hearing appears to be necessary.

(1) The operative right is set forth in Decision No. 46352 dated October 30, 1951. The automotive equipment consists of one 29-passenger 1941 Flxible, one 16-passenger 1936 Dodge, and one 12-passenger 1945 Ford.

We further find that the property to be procured or paid for by C. B. Green by the execution of the above-mentioned contract is reasonably required for the purpose specified herein. The action taken herein, however, is not to be construed to be a finding of the value of the properties or operative right involved.

C. B. Green 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 having been filed and the Commission having found that the public interest would not be adversely affected,

IT IS ORDERED:

(1) That Jerome Lofgren, after the effective date hereof and on or before July 1, 1952, may sell and transfer to C. B. Green the operative right and property referred to herein, and the latter may acquire and thereafter operate the same, such sale and transfer to be made in accordance with the terms of the contract attached to the application as Exhibit "A", and said C. B. Green may incur an indebtedness of \$2450 under the terms of said contract to finance in part the purchase of said right and property.

(2) That within 30 days after the completion of the transfer herein authorized, C. B. Green shall notify the Commission in writing.

of that fact and file with it a true copy of any bill of sale or other instrument of transfer executed to effect the same.

(3) That applicant shall file in triplicate and concurrently make effective appropriate tariffs and timetables within sixty (60) days after the effective date hereof and on not less than five (5) days' notice to the Commission and the public.

(4) That the authority herein granted will become effective when C. B. Green shall have paid the minimum fee of \$25 prescribed by Section 1904(b) of the Public Utilities Code. Except as herein otherwise expressly provided, the effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 13<sup>th</sup> day of May, 1952.

[Signature]  
President

Justice Z. Casper

Harold A. Hills

Kenneth Patton

Peter E. [Signature]  
Commissioners

PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA

**PAID**

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MAY 20 1952  
R. 18780

By [Signature]