

Decision No. 50779**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 JUNE R. STEPHENS, dba STEPHENS)
 TRANSPORTATION, to sell and)
 PERSHING L. REINER to purchase,) Application No. 35868
 an automobile passenger line between)
 Three Arch Bay and the South and)
 North City Limits of Laguna Beach.)

O P I N I O N

Applicant June R. Stephens, doing business as Stephens Transportation and presently rendering a passenger stage service between Three Arch Bay and Laguna Beach, requests authority to sell and applicant Pershing L. Reiner requests authority to purchase certain equipment and the operative rights granted by Decisions Nos. 41970, 47208 and 48982.

The agreed consideration is \$7,500, payable in cash. A value of \$2,850 is placed upon the operative rights. The balance of the consideration is the agreed value of two buses, parts, fare boxes, money changers, signs, stationery and supplies.

Applicant June R. Stephens alleges that she desires to sell the business because of the ill health of her husband.

After considering the matter, the Commission is of the opinion and so finds that the proposed transfer will not be adverse to the public interest. A public hearing does not appear to be necessary.

Pershing L. Reiner 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 as to the number of rights which may be given. ✓

O R D E R

Application having been filed and the Commission being informed in the premises,

IT IS ORDERED:

(1) That, on or before January 15, 1955, June R. Stephens is hereby authorized to sell and transfer and Pershing L. Reiner is hereby authorized to purchase and acquire the equipment referred to in Exhibit A attached to the application and the operative rights granted in Decision No. 41970 dated August 24, 1948 in Application No. 29563, Decision No. 47208 dated March 29, 1952 in Application No. 33272 and Decision No. 48982 dated August 18, 1953 in Application No. 34467.

(2) That, within thirty days after the consummation of the transfer herein authorized, Pershing L. Reiner shall notify the Commission, in writing, of that fact and within said period shall 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) That the action taken herein shall not be construed to be a finding of the value of the rights and properties herein authorized to be transferred.

(4) That, on not less than five days' notice to the Commission and to the public, applicants shall supplement or reissue the tariffs and timetables on file with the Commission naming fares,

rules, regulations, and schedules governing the passenger stage operations here involved to show that June R. Stephens, doing business as Stephens Transportation, has withdrawn or canceled and Pershing L. Reiner has adopted or established as his own said fares, rules, regulations, and schedules. The tariff and timetable filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98.

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

Dated at San Francisco, California, this 16th day of NOVEMBER, 1954.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners