

Decision No. 51853

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of GEORGE R. SUMMY, dba SUMMY'S )  
TRANSIT LINES, to sell and ARNOLD )  
NELSON and JOHN JARVIS, to Purchase )  
the Operative Rights and Certain )  
Property of SUMMY'S TRANSIT LINES )  
and for temporary Authority to )  
operate said Operative Rights. )  
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Application  
No. 37099

O P I N I O N

This is an application for an order authorizing George R. Summy to sell passenger stage operative rights and equipment to Arnold Nelson and John Jarvis.

The application shows that George R. Summy, doing business as Summy's Transit Lines, is engaged in operating passenger service between Marysville and Yuba City. He obtained his operative rights pursuant to authorization granted by Decision No. 48351, dated March 10, 1953, in Application No. 34077, and has reported his operating revenues and net profit as follows:

	<u>1953</u>	<u>1954</u>	<u>Jan.-June 1955</u>
Operating revenues	\$11,891	\$11,987	\$5,088
Net profit	890	520	710

It appears that applicant Summy desires to retire from the operations and that he has made arrangements to sell his operative rights and equipment, consisting of a 25-passenger Ford bus, 1942 model, and a 29-passenger Ford bus, 1947 model, to Arnold Nelson and John Jarvis for the sum of \$5,000, payable in cash.

It is asserted that the purchasers have had experience in operating the line and are familiar with the service to be rendered and that financially they are in a position to undertake the acquisition and operation of the business and to carry the necessary insurance. From a review of the application we are of the opinion, and so find, that the transfer will not be adverse to the public interest.

Applicants are hereby placed on 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.

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.

#### O R D E R

The Commission having considered the above entitled matter, and being of the opinion that a public hearing is not necessary and that the application should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED as follows:

1. George R. Summy, doing business as Summy's Transit Lines, may sell his operative rights and equipment to Arnold Nelson and John Jarvis.

2. On not less than five days' notice to the Commission and to the public, applicants shall supplement or reissue the tariffs and time tables on file with the Commission naming rates, rules, regulations and schedules governing the common carrier operations here involved to show that George R. Summy has withdrawn or canceled and Arnold Nelson and John Jarvis have adopted or established, as their own, said rates, rules, regulations and schedules.

3. The authority herein granted will become effective 20 days after the date hereof and will lapse if not exercised on or before December 31, 1955.

Dated at San Francisco, California, this 7<sup>th</sup> day of August, 1955.

Peter E. Mitchell  
President

Justin J. Quinn  
William J. Doherty

Pat Haney

Commissioners