

ORIGINAL

Decision No. 5227

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
CLYDE C. FLINN to sell and HAROLD K.	)	
HOPKINSON to purchase the auto passenger	)	Application No. 37388
bus line and operative rights pursuant	)	
to Sections 851 and 852 of the Public	)	
Utilities Code.	)	

O P I N I O N

Applicant Clyde C. Flinn has authority from this Commission to render service as a passenger stage corporation between Lake Gregory and Crestline, California, during the period between June 15 and October 1 of each year, <sup>1/</sup> and between those points and the Valley of Enchantment during the same portion of the year. <sup>2/</sup> By the application herein, filed on October 10, 1955, Clyde C. Flinn, hereinafter referred to as seller, seeks authority to sell, and Harold K. Hopkinson, hereinafter referred to as purchaser, seeks authority to purchase said operative rights, a passenger stage and certain incidental equipment for the sum of \$2,000 payable in cash. <sup>3/</sup>

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- 1/ Decision No. 45976, dated July 27, 1950, in Application No. 32434.
  - 2/ Decision No. 47777, dated September 30, 1952, in Application No. 32434, 1st Supplemental.
  - 3/ It is not determinable whether the transaction has been consummated or is to be consummated at the time this Commission gives its permission thereto. See Exhibit "A" and Exhibit "B" on the application.

It is alleged in the application that the seller is disposing of the property because of his wife's health. It is further alleged in the application that the purchaser wishes to operate the bus line as he is a resident of Crestline and desires to engage in business during the summer season. He appears to be in a sound financial condition. <sup>4/</sup>

In our opinion the proposed sale is not adverse to the public interest. The application will be granted. A public hearing is not necessary. The action taken herein shall not be construed to be a finding of value of the property authorized to be transferred.

Harold K. Hopkinson 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.

ORDER

Application having been made and the Commission having been fully advised in the premises and having found that the proposed transfer is not adverse to the public interest,

IT IS ORDERED:

(1) That Clyde C. Flinn may sell and transfer to Harold K. Hopkinson, within thirty days after the effective date of this order;

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<sup>4/</sup> Exhibit "D" on the application.

the operating rights and equipment referred to in the opinion herein for the sum of \$2,000 payable within thirty days after the effective date of this order.

(2) That within thirty days after the consummation of the transfer herein authorized, the seller and the buyer, or either of them, shall notify the Commission in writing of that fact.

(3) That within sixty days after the effective date hereof and 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 rates, rules, regulations and schedules governing the passenger stage operations here involved to show that Clyde C. Flinn has withdrawn or cancelled and Harold K. Hopkinson has adopted or established as his own said rates, rules, regulations and schedules.

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

Dated at San Francisco, California, this 22nd day of December, 1955.

Walter E. Poytelle  
President

Justus J. Caswell

Paul J. Intreven

Walter B. Kelly

B. Hardy

// Commissioners