

ORIGINAL

Decision No. 54635

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
MARGARET E. WAUGH, dba MERRIMAC)	
STAGE, to sell and MELBA A. HOLT and)	
JOYCE L. HOLT, to purchase the opera-)	Application No. 38772
tive rights and certain property of)	
Merrimac Stage and for temporary)	
authority to operate said operative)	
rights.)	

O P I N I O N

By this application, filed January 28, 1957, Margaret E. Waugh seeks authority to sell and Melba A. Holt and Joyce L. Holt seek authority to purchase the operative right for the transportation of freight between Croville and Elk's Retreat. Permission is also requested to transfer the operative equipment, consisting of one Dodge 3/4-ton pickup truck and certain tools. Included in the property to be acquired by the purchase price of \$2,000 is also the assignment of the Star Route contract for the transportation of the mail. No specific amount is stated as the price for operative rights.

The seller states as her reason for discontinuing operations the existence of illness in her immediate family. The purchasers' financial statement indicates adequate financial ability to perform the service. It is alleged that it is to the best interest of all concerned including the public that this sale be approved.

The Commission finds that the public interest will not be adversely affected by the proposed transfer. Consequently, the application will be granted. A public hearing is not necessary.

Melba A. Holt and Joyce L. Holt are 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 particular routes. 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 being fully advised in the premises and being of the opinion that a public hearing is unnecessary,

IT IS ORDERED:

(1) That Margaret E. Waugh may, after the effective date hereof and on or before sixty days after such effective date, sell and transfer and Melba A. Holt and Joyce L. Holt may purchase and acquire the operative rights and property to which reference is made in the preceding opinion. Such sale and transfer shall be made pursuant to the terms and conditions set forth herein and in the contract, copy of which is attached to Application No. 38772.

(2) That on not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, applicants shall supplement or reissue the tariffs on file with the Commission naming rates, rules and regulations here involved to show that Margaret E. Waugh has withdrawn or canceled and that Melba A. Holt and Joyce L. Holt have adopted or established,

as their own, said rates, rules and regulations.

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

Dated at San Francisco, California, this 19th day of March, 1957.

[Signature]
President

[Signature]

[Signature]

[Signature]

Commissioners