

**ORIGINAL**

Decision No. 58739

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 EDDIE A. MARCONI, SAMUEL J. TRIOLA  
 and GAYLORD M. ANDERSON, dba  
 ANTELOPE VALLEY BUS COMPANY, for  
 permission to dissolve partnership  
 and for permission for EDDIE A.  
 MARCONI to sell, assign and  
 transfer to SAMUEL J. TRIOLA and  
 GAYLORD M. ANDERSON existing  
 Certificate of Public Convenience  
 and Necessity and all equipment  
 and property appurtenant, and for  
 the latter to transfer the same to  
 the ANTELOPE VALLEY BUS, INC., and  
 for permission for the corporation  
 to issue its Securities.

Application No. 40045

OPINION AND ORDER

This is an application for an order of the Commission authorizing Antelope Valley Bus, Inc., to issue 235 shares of its no par common stock and to deliver 150 of said shares at \$100 a share in payment for operative rights and equipment of Eddie A. Marconi, Samuel J. Triola and Gaylord M. Anderson, partners doing business as Antelope Valley Bus Company, and to sell the remaining 85 of said shares, for cash, at \$100 each.

The application shows that Eddie A. Marconi, Samuel J. Triola and Gaylord M. Anderson have been operating a passenger bus service in and about the community of Lancaster, in Los Angeles County, under authorization granted by Decision

No. 54813, dated April 9, 1957; that said Eddie A. Marconi now desires to withdraw from the partnership and to transfer his interest to the remaining partners; and that said remaining partners desire, in turn, to transfer the operative rights and equipment to a corporation, namely, Antelope Valley Bus, Inc., in exchange for 150 shares of common stock. The book value of the properties to be transferred, less depreciation and including an allowance of \$100 for the operative rights, is reported in Exhibit B at \$31,670.38.

In addition to the 150 shares of stock to be thus issued for properties, applicant corporation proposes to sell 85 shares to Whitford B. Carter and James A. Carter, for cash, for use in its operations.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the requests of the applicants should be granted, that the money, property or labor to be procured or paid for by the issue of the 235 shares of stock herein authorized is reasonably required by applicant corporation for the purposes specified herein, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Eddie A. Marconi, Samuel J. Triola and Gaylord M. Anderson, upon dissolution of their partnership, may transfer the operative rights and equipment referred to herein to Samuel J. Triola and Gaylord M. Anderson.

2. Samuel J. Triola and Gaylord M. Anderson may transfer to Antelope Valley Bus, Inc., said operative rights and equipment.

3. Antelope Valley Bus, Inc., may issue not to exceed 255 shares of its common stock at a value of \$100 each for the purposes set forth in this application.

4. 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 and timetables on file with the Commission naming rates, rules, regulations and schedules governing the common carrier operations here involved to show that Eddie A. Marconi, Samuel J. Triola and Gaylord M. Anderson, partners doing business as Antelope Valley Bus Company, have withdrawn or canceled and Antelope Valley Bus, Inc., has adopted or established, as its own, said rates, rules, regulations and schedules. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 79.

5. The action taken herein shall not be construed to be a finding of the value of the operative rights and equipment herein authorized to be transferred. 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.

6. Antelope Valley Bus, Inc., shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

7. The authority herein granted will become effective on the date hereof. This authorization, if not exercised, will expire on December 31, 1958.

Dated at San Francisco, California, this 27<sup>th</sup> day of May, 1958.

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

Commissioners