

ORIGINAL

Decision No. 58010

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 Napa Valley Bus Corporation, a
 California Corporation, (Howard
 Smith, President), for authority to
 sell and transfer to W. A. Peppers
 their operative rights for the
 transportation of passengers between
 points in the City of Napa and
 vicinity.

Application No. 40466

O P I N I O N

Napa Valley Bus Corporation requests authority to sell and transfer and W. A. Peppers requests authority to purchase and acquire certain passenger stage operative rights and property.

The operative rights to be transferred were created by Decision No. 54324, dated December 27, 1956, in Application No. 38425, and later amended by Decision No. 56855, dated June 17, 1958, in Application No. 39943, and authorize the transportation of passengers between points in the City of Napa and adjacent unincorporated areas in the County of Napa. Said operative rights and a 1956 Ford bus are to be transferred for a cash consideration of \$3,200.

Napa Valley Bus Corporation assertedly desires to be released from the responsibility of owning and operating the passenger stage service.

After consideration the Commission is of the opinion that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary.

W. A. Peppers 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 modified or cancelled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

Applicant Peppers is also hereby placed upon notice that failure to comply with Commission rules and regulations can result in revocation of operative rights. No service may be discontinued without prior Commission authority.

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 May 1, 1959, Napa Valley Bus Corporation may sell and transfer, and W. A. Peppers may purchase and acquire, the operative rights granted by Decision No. 54324 in Application No. 38425, as amended by Decision No. 56855 in Application No. 39943, and the property referred to hereinabove.

(2) That within thirty days after the consummation of the transfer herein authorized, the purchaser 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 on not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, applicants shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the operations here involved to show that Napa Valley Bus Corporation has withdrawn or cancelled, and W. A. Peppers has adopted or established as his own, said rates, rules and regulations. The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 79.

(4) Applicant Peppers is placed on notice that he will be required, among other things, to file annual reports of his operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 98. Failure to file such reports in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 98, may result in a cancellation of the operating authority, /permission ✓ to transfer which is granted by this decision.

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

Dated at San Francisco, California, this 17th day of February, 1959.

E. J. Fox
President
W. A. Peppers
W. A. Peppers
Theodore A. ...
Everett ...
Commissioners