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Decision No. 59305

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
LILA B. PIPER, dba VALLEJO INTERURBAN
TRANSIT CO., operating a passenger
stage service, for an order authorizing
the transfer of its operating rights
and properties to RAYE S. ROGERS and
BETTY F. ROGERS.

Application No. 41561

O P I N I O N

Lila B. Piper, doing business as Vallejo Interurban Transit Co., requests authority to transfer and Raye S. Rogers and Betty F. Rogers request authority to purchase operative rights as a passenger stage corporation, as well as certain property.

The operating authority provides for the transportation of passengers between the intersection of York Street and Marin Street in the City of Vallejo and the intersection of Sacramento Street and Sears Point Road in Bay Terrace. The property consists of a 1954 De Soto eight-passenger sedan.

According to a copy of the sales agreement attached to the application as Exhibit B, a consideration will be paid in the amount of \$2,850. The agreement calls for a cash payment of \$1,000 with the balance covered by a promissory note to be paid in monthly installments of \$100 or more, with interest on the declining balance at six percent per annum.

Applicant purchasers indicate assets in the amount of \$2,900 and liabilities in the amount of \$860.

It is alleged that applicant seller's husband died in July 1959, and by a decree of the Superior Court entered on the 28th day of September 1959, all of the decedent's right, title and interest was assigned to applicant seller; that she desires to dissolve and wind up her business and dispose of the assets thereof.

After consideration the Commission is of the opinion that the proposed transfer is not adverse to the public interest and that the money, property or labor to be procured or paid for by the issue of the promissory note herein authorized is reasonably required for the purposes specified herein and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

Raye S. Rogers and Betty F. Rogers 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, such rights 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 canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

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 April 1, 1960, Lila B. Piper may transfer and Raye S. Rogers and Betty F. Rogers may acquire the certificate and property described in the application, according to the terms of the agreement attached thereto.

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 common carrier operations here involved to show that Lila B. Piper and William S. Piper have withdrawn or canceled, and Raye S. Rogers and Betty F. Rogers have adopted or established as their 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. That Raye S. Rogers and Betty F. Rogers may issue a promissory note in the amount of \$1,850.

The authority herein granted to issue a note will become effective when Raye S. Rogers and Betty F. Rogers have paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25. In other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 24th day of November, 1959.

Ernest A. Page
President
W. G. B. [illegible]
W. H. [illegible]
E. J. Fox
Theodore H. [illegible]
Commissioners

