

ORIGINAL

Decision No. 66306

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of WAYNE VAUGHN, an individual doing business as GREEN BUS SERVICE, for authority to abandon local city bus service in San Luis Obispo.

)
)
) Application No. 45483
) (Filed May 21, 1963)

Application of WAYNE C. VAUGHN, dba GREEN BUS SERVICE, to sell, and THOMAS J. KNIGHT, dba KNIGHT OF THE WEST TOURS, to purchase, operating rights of Green Bus Service between San Luis Obispo, California, and Hearst Ranch and Castle, San Simeon, California.

)
)
) Application No. 45790
) (Filed September 18, 1963)

O P I N I O N

By letter dated May 18, 1963, Wayne Vaughn advised the Commission that he had discontinued all local service in the City of San Luis Obispo for the reason that he was suffering monthly losses of approximately \$1,000. He requested authority to abandon this portion of his passenger stage service, but stated that he would continue the service to San Simeon as well as his charter service. It appears from his annual report and other information of the Commission that there was insufficient use of the local service to make it profitable. Applicant has made reasonable efforts to secure subsidy from the local authorities but has not been successful. Also, the anticipated revenue from his other operations is insufficient to justify any requirement that he reinstate the local operation.

Application No. 45790 now requests authority to transfer the certificate of public convenience and necessity to operate between San Luis Obispo and San Simeon granted in Decision No. 56822 on June 8, 1958, in Application No. 39372 to Thomas J. Knight for

the sum of \$10. As justification it is alleged that applicant Knight has worked closely with Mr. Vaughn in his passenger stage operation and has, in fact, arranged for and booked the great majority of tours. It is also asserted that Mr. Vaughn has met with financial difficulties "in pursuing various business operations and has found it necessary to retrench and curtail his activities. Mr. Knight is said to possess the necessary equipment, facilities, finances, wide general experience in travel operations and a particular knowledge of the instant operation to permit its success."

Based upon the allegations and information the Commission finds that public convenience and necessity no longer require a continuance of applicant Vaughn's local service in and around San Luis Obispo. It is also found that applicant Knight is qualified to successfully carry on the sightseeing tours and consequently the proposed transfer will not be adverse to the public interest. A public hearing is not necessary in either application and the Commission concludes that each of said applications should be granted.

Thomas J. Knight is 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.

The authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. On the effective date of this order the operating authority and the duty to serve of Wayne Vaughn, as determined by Decision No. 55540, dated September 10, 1957, and by Decision No. 55472, dated August 27, 1957, are revoked.

2. On the effective date of this order, all maps, rates, rules and regulations on file with the Commission and covering the services referred to in the applications are canceled and annulled.

3. On or before one hundred and twenty days after the effective date hereof Wayne C. Vaughn may sell and transfer and Thomas J. Knight may purchase and acquire, the operative rights referred to in Application No. 45790.

4. The certificate of public convenience and necessity so acquired by Thomas J. Knight authorizes him to operate as a passenger stage corporation as defined in Section 226 of the Public Utilities Code, between the points and over the routes more particularly set forth in Appendix A attached hereto and made a part hereof.

5. Within thirty days after the consummation of the transfer herein authorized Thomas J. Knight 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.

6. Thomas J. Knight shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the passenger stage operations herein to show that Wayne C. Vaughn, also known as Wayne Vaughn, has withdrawn or canceled, and Thomas J. Knight has adopted or established, as his own, said rates, rules and regulations. The tariff and timetable filings

shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the consummation of the transfer herein authorized. The tariff and timetable filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98.

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

Dated at San Francisco, California, this 12th day of NOVEMBER, 1963.

William L. Brundage
President
Robert L. ...
Charles W. ...
George T. Grover
Frederick B. Holhoff
Commissioners

Route Description, Sight-Seeing Service
San Luis Obispo and Hearst Ranch

Beginning at the Motel Inn, 2223 Monterey Street, San Luis Obispo, thence to Old Mission, San Luis Obispo, thence to the California State Polytechnic College, thence to Morro Bay viewing the Pacific Gas and Electric plant at that point, thence through Cayucos and Cambria Pines to the entrance of the Hearst Castle and Ranch at San Simeon, returning over the same route.

Restrictions:

- (1) No passengers shall be picked up or discharged en route, nor shall any one-way tickets be sold.
- (2) Points of pickup and discharge shall be at the Motel Inn in San Luis Obispo and the parking area adjacent to the Hearst Ranch and Castle, San Simeon, California.

Issued by California Public Utilities Commission.

Decision No. 66306, Application No. 45790.