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ORIGINAL

Decision No. 72080

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of JOHN AZVEDO, JR.,
doing business as Wrightwood Truck
Line, to transfer highway carrier
operating rights and property and
of EDWARD D. AZVEDO to acquire
said operating rights and property.)

) Application No. 49042
) Filed December 21, 1966
)

O P I N I O N

John Azvedo, Jr., doing business as Wrightwood Truck Line, requests authority to sell and transfer to Edward D. Azvedo certain highway common carrier authority and property.

The operative right was granted by Decision No. 36419, dated June 8, 1943, in Application No. 25423 and authorizes the transportation of general commodities between San Bernardino, Wrightwood, Swarthout and intermediate points. In addition to the operating right and miscellaneous office furniture and equipment the sale includes the transfer of two Chevrolet trucks. The agreed consideration is \$2,000 which covers the value of the trucks. No value is placed upon the operative right and office equipment. The consideration is to be covered by a promissory note, payable within two years at six percent interest on the declining balance. As of December 28, 1966, applicant purchaser indicated a net worth in the amount of \$15,380.

It is alleged that applicant seller has operated as a highway common carrier for many years and now desires to retire, and that applicant purchaser is the son of applicant seller and has assisted his father in the business for the last seven years.

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

Edward D. Azvedo 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.

O R D E R

IT IS ORDERED that:

1. On or before August 1, 1967, John Azvedo, Jr., may sell and transfer, and Edward D. Azvedo may purchase and acquire, the operative rights and property referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, Edward D. Azvedo 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. Edward D. Azvedo shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the common carrier operations herein to show that he has adopted or established, as his own, said rates and rules. The tariff filings shall be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the consummation of the transfer herein authorized. 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. 80-A.

4. On or before the end of the third month after the consummation of the transfer as herein authorized, Edward D. Azvedo shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current year to and including the effective date of the transfer.

5. After the effective date of this order, applicant buyer may execute and issue a promissory note in the amount of \$2,000.

6. Edward D. Azvedo shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

7. The authority herein granted to issue a note will become effective when applicant has 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 28th day of FEBRUARY, 1967.

William M. Bennett
President

William A. ...
Thed P. ...
Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding.

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
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MAR 6 - 1967
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BY [Signature]