

ORIGINALDecision No. 72417

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of ROY G. FAULKNER, an individual
doing business as COVELO TRANSPOR-
TATION, to sell and BRUCE G. HEADY,
an individual, to buy, a highway
common carrier certificate.

Application No. 49233 ✓
(Filed March 23, 1967)

O P I N I O N

Roy G. Faulkner requests authority to sell to Bruce G. Heady a certificate of public convenience and necessity authorizing operations as a highway common carrier, and two units of equipment.

The operating authority, which was granted by Decision No. 61243 dated December 20, 1960, in Application No. 42666 authorizes the transportation of general commodities between all points on U.S. Highway 101 between Ukiah and Longvale, and to points northeast thereof, on Mendocino County roads, including Dos Rios, Covelo and Eel River Ranger Station. Service is also authorized to points within a radius of 10 miles of the routes and points named. In addition to said certificate the transfer includes a 1947 Fruehauf van and a 1960 Ford 2-axle tractor.

The agreed consideration is \$6,000 to be paid as follows:

- (1) Transfer of Ford pickup truck valued at \$724.38.
- (2) A receipt for payment of a tire bill owed by seller to buyer in the amount of \$103.09.
- (3) Deposit of \$172.53.
- (4) The balance of \$5,000 to be paid upon this Commission's approval of the transfer.

For the past ten years applicant buyer has been a resident of Ukiah and has operated a service station serving truck accounts. As of March 15, 1967, applicant buyer indicated a net worth in the amount of \$17,250.

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

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

Bruce G. Heady 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 December 1, 1967, Roy G. Faulkner may sell and transfer, and Bruce G. Heady 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, Bruce G. Heady 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. Bruce G. Heady 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, Bruce G. Heady 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.

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

Dated at San Francisco, California, this 11th day of MAY, 1967.

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