

Decision No. 75838**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of CHARLES M. CRYDERMAN, an )  
individual, doing business as )  
TAHOE TRANSIT LINES, to Sell, )  
and HEROLD C. RUTHERFORD and )  
WAYNE ROBERT CROSBY, Co-partners )  
to Buy, a certificate of public )  
convenience and necessity author- )  
izing transportation of passengers )  
between points on the South Shore )  
of Lake Tahoe. )

Application No. 50936  
(Filed March 6, 1969;  
Amended May 23, 1969)

O P I N I O N

Applicant Charles M. Cryderman, seller, is a sole proprietor, doing business as Tahoe Transit Lines, under the authority of a certificate of public convenience and necessity issued by Decision No. 73573, dated January 3, 1968, in Application No. 49825. The certificate provides for the transportation of passengers between various points on the South Shore of Lake Tahoe, serving all intermediate points on, and along, and within one mile laterally of the following routes:

- (a) California Highway 89 between Camp Richardson and The Wye, situated at the junction of said California Highway 89 and U.S. Highway 50.
- (b) U.S. Highway 50 between a point two miles south of The Wye and State Line, including service to the Greyhound Depot on Ski Run Boulevard and Tahoe Avenue.

Seller alleges that frequently he is out of the Tahoe area and is therefore not available all the time as required in the bus business. He has applied to sell his operating authority and three vehicles (two 1951 Ford 12-passenger buses and a 1954 32-passenger

Chevrolet bus) to applicants Rutherford and Crosby for the sum of \$10,000, with \$3,000 down and \$7,000 to be paid in 35 monthly installments of \$200, with no interest to be charged.

It is alleged that copartners Rutherford and Crosby, purchasers, have resided in the South Tahoe area for many years and have transportation experience; it is further alleged that applicant Crosby has been employed as a bus driver for the past eleven years and is now employed by Tahoe Transit Lines.

Exhibit "B" attached to the application reveals the status of the business between February 8, 1968 through December 31, 1968 and shows that the transferor passenger stage possesses total assets of \$6,045 and has current liabilities of \$458. During the same period passenger revenue was \$17,348, with net revenue of \$1,244 for an operating ratio of 91 percent.

It appears that applicant Cryderman earned a substantial salary from the business during 1968 and that a gross of \$21,000 is projected as the minimum the business will earn in 1969. It was established that the purchasers are experienced and thoroughly familiar with the business to be transferred and the area where they will operate.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary. The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by Charles M. Cryderman and the issuance of a certificate in appendix form to Herold C. Rutherford and Wayne Robert Crosby.

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

The money, property or labor to be procured or paid for by the issue of the evidence of 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 expenses or to income.

Herold C. Rutherford and Wayne Robert Crosby 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

IT IS ORDERED that:

1. On or before December 31, 1969, Charles M. Cryderman may sell and transfer, and Herold C. Rutherford and Wayne Robert Crosby may purchase and acquire, the operative right and property referred to in the application.

2. Herold C. Rutherford and Wayne Robert Crosby, for the purposes specified in this proceeding, may issue a document evidencing a noninterest bearing indebtedness of \$7,000 repayable in 35 monthly installments of \$200.

3. Within thirty days after the consummation of the transfer herein authorized, purchasers 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.

4. Purchasers shall amend or reissue the tariffs and timetables on file with the Commission, naming rates and rules governing the common carrier operations herein to show that they have adopted or established, as their own, said rates and rules. The tariff and timetable filings shall be made effective not earlier than ten days after the effective date of this order or 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-A. Failure to comply with and observe the provisions of General Orders Nos. 79 and 98-A may result in a cancellation of the operating authority granted by this decision.

5. On or before the end of the third month after the consummation of the transfer as herein authorized, purchasers 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.

6. In the event the transfer authorized in paragraph 1 hereof is consummated, a certificate of public convenience and

necessity is granted to Herold C. Rutherford and Wayne Robert Crosby, authorizing them to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendix A attached hereto and made a part hereof.

7. The certificate of public convenience and necessity granted in paragraph 6 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 73573, which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 4 hereof.

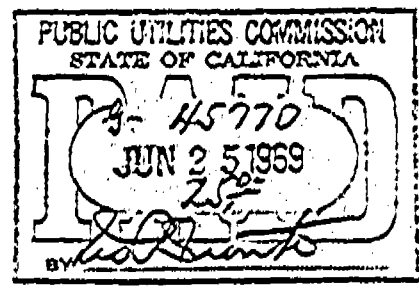
8. Within thirty days after the effective date hereof, purchasers shall file a written acceptance of the certificate herein granted. Purchasers are placed on notice that, if they accept the certificate of public convenience and necessity herein granted, they will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-A and insurance requirements of the Commission's General Order No. 101-C.

9. Purchasers shall maintain their accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of their operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

The authority herein granted to issue an evidence of indebtedness will become effective when purchasers have paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.00. In other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 24<sup>th</sup> day of June, 1969.

William James Jr.  
President  
Augustus  
Joseph P. Monroney  
William  
Thomas  
Commissioners



HEROLD C. RUTHERFORD  
and  
WAYNE ROBERT CROSBY  
doing business as  
Tahoe Transit Lines

Herold C. Rutherford and Wayne Robert Crosby, a co-partnership, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport passengers between Camp Richardson and State Line, serving all intermediate points on, along, and within one mile laterally of the following routes:

- (a) California Highway 89 between Camp Richardson and The Wye situated at the junction of said California Highway 89 and U.S. Highway 50.
- (b) U.S. Highway 50 between a point two miles south of The Wye and State Line including service to the Greyhound Depot on Ski Run Boulevard and Tahoe Avenue.

Issued by California Public Utilities Commission.

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