

ORIGINAL

Decision No. 76501

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 JACK SIMS, DOYLE SIMS, and EDWIN)
 FERGUSON, Co-partners, Doing Business)
 As ANCHOR BUS COMPANY, to Sell and)
 Transfer,)

and of)

ANCHOR BUS COMPANY, INC., a California)
 Corporation, to Purchase and Acquire)
 the Operative Rights and Property of)
 JACK SIMS, DOYLE SIMS, and EDWIN)
 FERGUSON, Co-partners, Doing Business)
 As ANCHOR BUS COMPANY, Conducted under)
 and pursuant to Decision No. 68725,)
 Dated 9 March 1965, in Application)
 No. 47333, as Modified by Decision)
 No. 70423, Dated 8 March 1966, in)
 Application No. 48058, also Class A)
 Charter Party Certificate T-CP-86-A)
 Active until 3 February 1970,)

and of)

ANCHOR BUS COMPANY, INC., for)
 Authority to Issue 1,605 Shares of)
 its Common Capital Stock without)
 Par Value in Payment of the Purchase)
 Price of the Operative Rights and)
 Property Proposed to Be Acquired)
 under and pursuant to Sections 1031,)
 1036, and 5377.1 of the Public)
 Utilities Code of the State of)
 California.)

Application No. 51463
 Filed November 6, 1969

O P I N I O N

Jack Sims, Doyle Sims and Edwin Ferguson, doing business as Anchor Bus Company, request an order of the Commission authorizing them to sell and transfer a passenger stage certificate of public convenience and necessity and related assets to Anchor Bus Company, Inc., and the latter, in acquiring said assets, seeks authority to assume liabilities and to issue 1,605 shares of its common capital stock without par value.

The transferors conduct passenger stage operations in portions of Fresno and Kings Counties pursuant to the certificate of public convenience and necessity described in Decision No. 70423, dated March 8, 1966, on Application No. 48058. In addition, they operate under the jurisdiction of this Commission as a charter-party carrier of passengers. For the year 1968, the reported total operating revenue and net carrier operating income amount to \$76,746 and \$7,981, respectively. The reported assets and liabilities as of June 30, 1969, as summarized from a portion of Exhibit A, filed in this proceeding, are as follows:

Assets

Current assets	\$12,000
Office equipment less depreciation	640
Buses less depreciation	<u>11,942</u>
Total	<u>\$24,582</u>

Liabilities

Current liabilities	\$ 1,781
Equipment contracts	6,774
Net worth	<u>16,027</u>
Total	<u>\$24,582</u>

In this proceeding, Jack Sims, Doyle Sims and Edwin Ferguson propose to sell and transfer said certificate of public convenience and necessity, together with related assets, to Anchor Bus Company, Inc., a California corporation incorporated on or about August 4, 1969. The corporation proposes to issue not exceeding 1,605 shares of its common capital stock without par value at a stated value of approximately \$10 per share in exchange for said certificate and related assets, subject to liabilities.

After consideration the Commission finds that: (1) the proposed transactions would not be adverse to the public interest; (2) the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein; and (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

The action taken herein shall not be construed as a finding of the value of the operative rights and other assets to be transferred. So far as the rights are concerned, the authorization herein granted is for the transfer of the passenger stage certificate of public convenience and necessity only. Any transfer of a charter-party carrier certificate of public convenience and necessity must be the subject of a separate application.

The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by Jack Sims, Doyle Sims and Edwin Ferguson, doing business as Anchor Bus Company, and the issuance of a certificate in appendix form to Anchor Bus Company, Inc.

Anchor Bus Company, Inc. 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 March 31, 1970, Jack Sims, Doyle Sims and Edwin Ferguson, doing business as Anchor Bus Company, may sell and transfer, and Anchor Bus Company, Inc. may purchase and acquire, the certificate of public convenience and necessity and related property referred to in the application.

2. Anchor Bus Company, Inc., in acquiring said certificate of public convenience and necessity and related property, may assume the liabilities referred to in this proceeding, and may issue not exceeding 1,605 shares of its common capital stock without par value at a stated value of approximately \$10 per share.

3. Anchor Bus Company, Inc. 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.

4. Within thirty days after the consummation of the transfer herein authorized, Anchor Bus Company, Inc. 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.

5. Anchor Bus Company, Inc. 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 it has adopted or established, as its 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 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-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.

6. In the event the transfer authorized in Paragraph No. 1 hereof is consummated, a certificate of public convenience and necessity is granted to Anchor Bus Company, Inc. authorizing it 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.

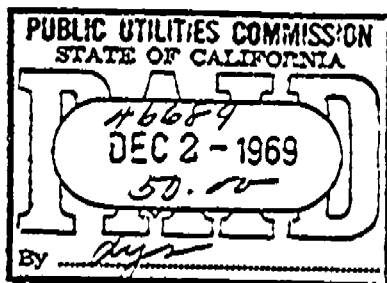
7. The certificate of public convenience and necessity granted in Paragraph No. 6 of this order shall supersede the certificate of public convenience and necessity described in Decision No. 70423, which certificate is revoked effective concurrently with the effective date of the tariff filings required by Paragraph No. 5 hereof.

8. Within thirty days after the transfer herein authorized is consummated, Anchor Bus Company, Inc. shall file a written acceptance of the certificate herein granted. Anchor Bus Company, Inc. is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it 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. Anchor Bus Company, Inc. shall maintain its 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 its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

10. This order shall become effective when Anchor Bus Company, Inc. has paid the minimum fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California,
this 2nd day of DECEMBER, 1969.



William S. Squire Jr.
President

Anchor Bus

J. H. Squire

Tom Squire

William S. Squire Jr.
Commissioners

Anchor Bus Company, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers, baggage and express between Fresno, Lemoore, Hanford, Caruthers, Riverdale, Easton, Armona and the Lemoore Naval Air Station over the following routes:

Commencing at the main gate of the Lemoore Naval Air Station; thence along State Highway 198 to Hanford, departing from State Highway 198 along the most appropriate county roads and city streets to reach Lemoore, Armona and Hanford; thence via State Highway 198, State Highway 41, Elm Avenue, "C" Street and Fresno Street to its intersection with Broadway in the City of Fresno.

Also commencing at the intersection of State Highway 41 and Excelsior Street; thence along Excelsior Street, Marks Street, and Mountain View Street to State Highway 41.

Also commencing at the Grangeville Gate located on the Lemoore Naval Air Station; thence along Grangeville Road and 22nd Avenue to Marks Street.

Restriction:

No passengers or shipments of express shall be transported between Fresno, on the one hand, and Hanford, on the other hand.

End of Appendix A

Issued by California Public Utilities Commission.

Decision No. 76501, Application No. 51463.