

ORIGINAL

Decision No. 77665

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of
THEOBURN S. HAWORTH, BRYAN W. HAWORTH,
RUTH E. HAWORTH and MARGARET HAWORTH,
partners, doing business as Orange Belt
Stages, to sell, and of ORANGE BELT
STAGES, a corporation, to purchase the
operating rights and certain assets of
the Orange Belt Stages partnership.

and

Application of
ORANGE BELT STAGES, a corporation,
for authority to issue stock and to
assume certain obligations of the
Orange Belt Stages partnership.

Application No. 52079
Filed July 28, 1970

O P I N I O N

Thoburn S. Haworth, Bryan W. Haworth, Ruth H. Haworth and Margaret Haworth, partners doing business as Orange Belt Stages, seek an order of the Commission authorizing them to sell and transfer their passenger stage certificate of public convenience and necessity and related assets to Orange Belt Stages, a corporation. The latter, in acquiring said certificate and related assets, seeks authority to assume liabilities and to issue 800 shares of its \$100 par value common stock.

The transferors conduct passenger stage operations in the Counties of Kern, Kings, San Bernardino, San Luis Obispo and Tulare pursuant to the certificate of public convenience and necessity granted by Decision No. 52614, dated February 7, 1956, in Application No. 37212, as said certificate has been amended by subsequent

decisions of this Commission. In addition, the partners operate under the jurisdiction of the Interstate Commerce Commission. Also, they possess a Class A certificate issued by this Commission authorizing them to operate as a charter-party carrier of passengers. For the year 1969, the partners report total operating revenue and net income of \$717,283 and \$69,738, respectively. As of June 30, 1970, the transferors report total assets of \$417,607 offset by current liabilities, equipment obligations, reserves and capital amounting to \$95,899, \$102,554, \$24,000 and \$195,154, respectively.

In the present proceeding the partners seek authority to transfer said certificate of public convenience and necessity, together with assets used in their passenger stage service, to Orange Belt Stages, a California corporation incorporated on or about April 5, 1967. Said corporation, in acquiring said certificate and assets, seeks authority to assume long-term equipment obligations and to issue \$80,000 aggregate par value of its common stock.

After consideration the Commission finds that:

1. The proposed transactions would not be adverse to the public interest.
2. The proposed stock issue is for a proper purpose.
3. 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, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing 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 intrastate passenger stage certificate of public convenience and necessity only. Any transfer of a charter-party carrier certificate 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 Thoburn S. Haworth, Bryan W. Haworth, Ruth H. Haworth and Margaret Haworth, partners doing business as Orange Belt Stages, and the issuance of a certificate in appendix form to Orange Belt Stages, a corporation.

Orange Belt Stages, a corporation, 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.

ORDER

IT IS ORDERED that:

1. On or before December 31, 1970, Thoburn S. Haworth,

Bryan W. Haworth, Ruth H. Haworth and Margaret Haworth, partners doing business as Orange Belt Stages, may sell and transfer, and Orange Belt Stages, a corporation, may purchase and acquire, the operative rights and property referred to in the application.

2. Orange Belt Stages, a corporation, may assume the liabilities and obligations referred to in this proceeding, and may issue not exceeding 800 shares of its \$100 par value common stock.

3. Orange Belt Stages, a corporation, 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, Orange Belt Stages, a corporation, 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. Orange Belt Stages, a corporation, 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 Orange Belt Stages, a corporation, 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 granted by Decision No. 52614, as said certificate has been amended by subsequent decisions of this Commission, which certificate is revoked effective concurrently with the effective date of the tariff filings required by Paragraph No. 5 hereof.

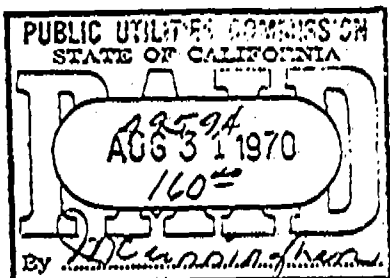
8. Within thirty days after the transfer herein authorized is consummated, Orange Belt Stages, a corporation, shall file a written acceptance of the certificate herein granted. Orange Belt Stages, a corporation, is placed on notice that, if it accepts the certificate of public convenience and necessity 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. Orange Belt Stages, a corporation, 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 Orange Belt Stages, a corporation, has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$160.

Dated at San Francisco, California, this 25th day of AUGUST, 1970.



[Signature] - Chairman

[Signature]

William S. [Signature]

[Signature]

[Signature] Commissioners

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY

Showing passenger stage operative rights, restrictions, limitations, exceptions, and privileges applicable thereto.

All changes and amendments as authorized by the Public Utilities Commission of the State of California will be made as revised pages or added original pages.

Issued under authority of Decision No. 77665, dated Aug. 25,
1970, of the Public Utilities Commission of the State of California,
on Application No. 52079.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS.

Orange Belt Stages, a corporation, is authorized to transport express, passengers, and their baggage between the termini and all points intermediate thereto over the routes hereinafter described, subject to the following conditions and restrictions:

- (a) Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections in accordance with local traffic regulations.
- (b) When route descriptions are given in one direction, they apply to operation in either direction.
- (c) Express shall be transported in passenger-carrying vehicles only, and limited to a weight of not more than 100 pounds per shipment.
- (d) No express shall be transported over the route between Tehachapi and the California Correctional Facility.
- (e) No passengers, baggage or express shall be transported in service between Visalia and points west thereof, on the one hand, and Bakersfield, on the other hand, over the route via Exeter, Porterville and Ducor.
- (f) No local service shall be rendered between Muroc Junction and Beecher's Corner and intermediate points.
- (g) No local service shall be rendered between points located on California Highway 99.
- (h) No passengers shall be transported whose origin and destination are both between Bakersfield terminal and Brundage Lane, intermediate points inclusive.
- (i) Service between Tehachapi and the California Correctional Facility shall be conducted in special operations only. Special operations are conducted in nonscheduled service to accommodate groups moving over authorized routes of applicants or connecting carriers; payment of transportation is assessed on an individual fare basis.

Issued by California Public Utilities Commission.

Decision No. 77665, Application No. 52079.

SECTION 2. ROUTE DESCRIPTIONS

Subject to the authority of this Commission to change or modify such at any time, Orange Belt Stages, a corporation, shall conduct its passenger stage operations between the following points and over and along the following described routes:

1. Between Visalia and Bakersfield:

From Visalia, over California Highway 198 to junction of unnumbered highway (Farmersville Road), thence over unnumbered highway via Farmersville to Exeter, thence over California Highway 65 to Bakersfield.

2. Between Visalia and Woodlake:

From Visalia, over California Highway 216 to Woodlake.

3. Between Visalia and Hanford:

From Visalia, over California Highway 198 to Hanford.

4. Between Bakersfield and Paso Robles:

From Bakersfield, over California Highway 99 to Famoso, thence over California Highway 46 to Paso Robles.

5. Between Bakersfield and Wasco:

From Bakersfield, over Rosedale Highway to Shafter Highway to Santa Fe Way to Wasco Avenue to Poso Drive to F Street to Wasco.

6. Between Lerdo and Shafter:

From Lerdo, over unnumbered highway to Shafter, to be operated as an alternate route serving no intermediate points.

7. Between Bakersfield and Barstow:

From Bakersfield, over California Highway 58 to Barstow.

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SECTION 2. ROUTE DESCRIPTIONS (Continued)

8. Between the junction of California Highways 99 and 198, and the junction of 14th Avenue West and California Highway 198:

From the junction of California Highways 99 and 198, over California Highway 99 to Goshen Junction, thence over 14th Avenue West to California Highway 198.

9. Between Bakersfield and Arvin:

From Bakersfield, over California Highway 58 to California Highway 184 to Di Giorgio Road (Lamont) to Tejon Highway to Arvin.

10. Between Lamont and Ribier:

From Lamont, over California Highway 184 to Sunset Boulevard to Edison Road to Di Giorgio Road (Ribier).

11. Between Weed Patch and junction of Buena Vista Boulevard and Edison Road:

From the junction of California Highway 184 and Buena Vista Boulevard (Weed Patch), over Buena Vista Boulevard to Edison Road.

12. Between the junction of California Highway 58 and Fairfax Road, and the junction of Redbank Road and California Highway 184:

From the junction of California Highway 58 and Fairfax Road, over Fairfax Road to Redbank Road to California Highway 184.

13. Between the junction of California Highways 58 and 202 (Tehachapi), and the California Correctional Facility:

From the junction of California Highways 58 and 202 (Tehachapi), over California Highway 202 to the California Correctional Facility.

End of Appendix A

Issued by California Public Utilities Commission.

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