

ORIGINAL

Decision No. 78483

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
MELVIN C. HENDERSON, seller and)
ROY L. ARLEDGE, buyer for autho-)
rization of transfer of certificate)
of public convenience and necessity)
to operate passenger stage services)
between the cities of Santa Clara,)
Sunnyvale, Cupertino, Los Altos,)
Mountain View and Palo Alto on the)
one hand, and the United Airlines)
Maintenance Base at San Francisco)
International Airport on the other)
hand; Commission Decision No. 75638)
in Application No. 50583, from)
Melvin C. Henderson to Roy L.)
Arledge.)

Application No. 52424
(Filed January 28, 1971)

O P I N I O N

Melvin C. Henderson requests authority to sell and transfer, and Roy L. Arledge requests authority to purchase and acquire, a certificate of public convenience and necessity authorizing operations as a passenger stage corporation and certain equipment.

Arledge also proposes to broaden the area served at the airport.

The certificate was granted by Decision No. 75638 in Application No. 50583 and authorizes the transportation of passengers between the cities of Santa Clara, Sunnyvale, Cupertino, Los Altos, Mountain View, and Palo Alto, on the one hand, and the United Air Lines Maintenance Base at San Francisco International Airport, on the other hand. No value is placed upon the certificate. The transfer also includes three buses and one pickup truck for which applicant will assume outstanding loans in the amount of \$9,370. As of December 7, 1970, applicant purchaser indicated a net worth in the amount of \$5,900.

After consideration the Commission finds that the proposed transfer of the certificate granted by Decision No. 75638, supra, would not be adverse to the public interest and that the property to be procured by 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 expenses or to income. The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by Melvin C. Henderson and the issuance of a certificate in appendix form to Roy L. Arledge. A public hearing is not necessary.

Roy L. Arledge 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, 1971, Melvin C. Henderson may sell and transfer, and Roy L. Arledge may purchase and acquire, the operative rights as heretofore granted Melvin C. Henderson by the Commission and the property referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, purchaser 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. Purchaser 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 he has adopted or established, as his 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.

4. On or before the end of the third month after the consummation of the transfer as herein authorized, purchaser 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. In the event the transfer authorized in paragraph 1 hereof is consummated, a certificate of public convenience and necessity

is granted to Roy L. Arledge, authorizing him 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.

6. The certificate of public convenience and necessity granted in paragraph 5 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 75638, which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3 hereof.

7. Within thirty days after the transfer herein authorized is consummated, purchaser shall file a written acceptance of the certificate herein granted. Purchaser is placed on notice that, if he accepts the certificate of public convenience and necessity herein granted, he 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.

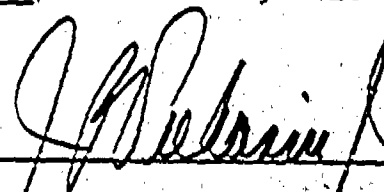
8. Purchaser shall maintain his accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of his operations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


9. Roy L. Arledge is authorized to assume indebtedness in the amount of \$9,570.


10. The requested broadening of operating rights over and above those herein authorized for transfer is hereby denied without prejudice.

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

Dated at San Francisco, California, this 30th day of MARCH, 1971.


Chairman


Vernon L. Sturgeon


Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

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

Roy L. Arledge, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers on passenger-carrying vehicles between the United Air Lines Maintenance Base at or near the San Francisco International Airport, on the one hand, and the Cities of Santa Clara, Sunnyvale, Cupertino, Los Altos, Mountain View and Palo Alto, on the other hand, over the routes hereinafter described, subject to the following provisions:

1. Only passengers destined to or originating at the United Air Lines Maintenance Base and who are employed at that facility shall be transported.
2. Service will be operated only at times necessary to meet employee shift needs on regular working days.
3. Service will not be operated during strikes or other work shutdowns at the Maintenance Base.

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SECTION 2. ROUTE DESCRIPTIONS.

Santa Clara Route:

Commencing at the intersection of Kiely Boulevard and Homestead Road in the City of Santa Clara thence via Kiely Boulevard, Benton Street, Los Padres Boulevard, El Camino Real, Bowers Avenue, Monroe Street, Reed Lane, North Fair Oaks Avenue, U. S. Highway 101 (Bayshore Freeway) and San Bruno Avenue to the entrance of the United Air Lines Maintenance Base; returning by reverse of route.

Cupertino-Mountain View-Palo Alto Route:

Commencing at the intersection of Saratoga Avenue and Stevens Creek Boulevard thence via Stevens Creek Boulevard, Lawrence Station Expressway, Homestead Road, Hollenbeck Avenue, West Fremont Avenue, Grant Road, El Camino Real, San Antonio Road, U. S. Highway 101 (Bayshore Freeway) and San Bruno Avenue to the United Air Lines Maintenance Base; returning by reverse of route.

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