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Decision No. 90135 1 MAR 27 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Howard B. Petterson)
 and Margie L. Petterson dba Napa)
 Charter Lines and Petterson)
 Commute Service, for authorization)
 to transfer their passenger stage)
 certificate and assets to Petterson)
 Bus Co., a Corporation.)
)
)

Application No. 58389
 (Filed August 30, 1978)
 and Amendments
 (Filed September 29, 1978
 and January 22, 1978)

O P I N I O N

Howard B. Petterson, doing business as Petterson Bus Company, seeks authority to transfer operating rights and other assets to Petterson Bus Company, a corporation.

The property to be transferred includes 15 buses, a charter party certificate, and a passenger stage certificate. The passenger stage certificate was granted by Decision No. 83889, dated December 30, 1974 in Application No. 55255. The transferee is a California corporation formed on April 13, 1978. A separate informal application was filed for authority to transfer the Class "A" Charter-party Certificate on August 31, 1978.

For the calendar year 1977 (the latest period for which operating results are available) the carrier reported gross revenue of \$185,186 and net income of \$14,279. Total assets and net worth as of December 31, 1977 were \$140,020 and \$96,420, respectively.

The applicant proposes to transfer his operating authority and related assets and liabilities to Petterson Bus Company, a corporation, in exchange for 4,000 shares of \$10 par value capital stock. Two thousand shares will be issued to the applicant and two thousand shares will be issued to Margie L. Petterson, the applicant's wife.

The application was listed on the Commission's Daily Calendar on September 7, 1978. The Commission's staff has reviewed the application and recommends that, in the absence of protest or request for public hearing, it be granted by ex parte order. No protest or request for hearing has been received.

After consideration the Commission finds that:

1. The proposed transfer would not be adverse to the public interest.
2. The proposed stock issue would be for a proper purpose.
3. The money, property or labor to be procured or paid for by 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 order which follows will provide for, in the event the transfer is completed, the revocation of the certificate presently held by Howard B. Pettersen and the issuance of a certificate in appendix form to Pettersen Bus Company, a corporation.

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

ORDER

IT IS ORDERED that:

1. On or after the effective date hereof and on or before September 30, 1979, Howard B. Pettersen may sell and transfer the operative rights and property referred to in the application to Pettersen Bus Company, a corporation.
2. Pettersen Bus Company, on or after the effective date hereof and on or before September 30, 1979, may assume liabilities and, for the purposes specified in this proceeding, may issue not exceeding 4,000 shares of its \$10 par value capital stock as follows: 2,000 shares to Howard B. Pettersen and 2,000 shares to Margie L. Pettersen.

3. Pettersen Bus Company shall file with the Commission the report 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 transfer Pettersen Bus Company shall file with the Commission written acceptance of the certificate and a true copy of the bill of sale or other instrument of transfer.

5. Pettersen Bus Company shall amend or reissue the tariffs and timetables on file with the Commission, naming rates and rules governing the common carrier operations transferred to show that it has adopted or established, as its own, the 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 transfer. The tariff and timetable filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filings of tariffs and timetables set forth in the Commission's General Orders Nos. 79-Series and 98-Series. Failure to comply with the provisions of General Orders Nos. 79-Series and 98-Series may result in a cancellation of the operating authority granted by this decision.

6. In the event the transfer authorized in paragraph 1 is completed, effective concurrently with the effective date of the tariff filings required by paragraph 5, a certificate of public convenience and necessity is granted to Pettersen Bus Company, 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 set forth in Appendix A of this decision.

7. The certificate of public convenience and necessity granted by Decision No. 83889 is revoked effective concurrently with the effective date of the tariff filings required by paragraph 5.

8. Pettersen Bus Company shall comply with the safety rules administered by the California Highway Patrol, the rules and regulations of the Commission's General Order No. 98-Series, and the insurance requirements of the Commission's General Order No. 101-Series.

9. Pettersen Bus Company 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 Pettersen Bus Company has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$194.

Dated at San Francisco, California, this 27th day of MARCH 4, 1979.

John E. Boyer

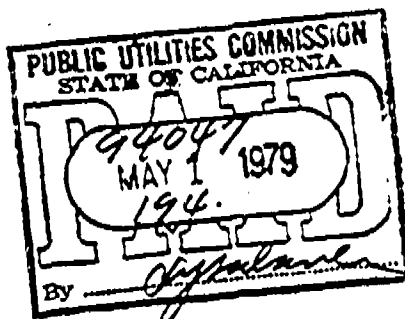
President

Alvin J. ...

Donald ...
Commissioner

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Richard D. Travello, being necessarily absent, did not participate in the disposition of this proceeding.



Appendix A

PETTERSEN BUS COMPANY

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY

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Showing passenger stage operative rights, restrictions, limitations, exceptions, and privileges applicable thereto. The certificate herein supersedes all operative authority heretofore granted to Pettersen Bus Company.

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. 90135 , dated
 of the Public Utilities Commission of the
State of California, in Application No. 58339.

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| <u>Route</u> | <u>Route Name</u> | |
|--------------|---------------------|---|
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| 4 | Vacaville | 4 |
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Issued by California Public Utilities Commission.
 Decision No. 90135, Application No. 58339.

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

The certificate hereinafter noted supersedes all operative authority heretofore granted to Pettersen Bus Company.

Pettersen Bus Company, a corporation, by the certificate of public convenience and necessity to operate as a passenger stage corporation granted by the decision noted in the margin, is authorized to transport passengers, baggage, mail, and express between Vacaville, Fairfield, Napa, St. Helena, Benicia, Vallejo, and within a radius of three miles of their corporate limits, on the one hand, and the Mare Island Naval Shipyard, on the other hand, and intermediate points, over and along the routes hereinafter described, subject to the following provisions:

- (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 unless otherwise indicated.
- (c) Only passengers destined to or originating at the Mare Island Naval Shipyard shall be transported.
- (d) Routes may be combined for operational purposes.

Issued by California Public Utilities Commission.

Decision No. 90135, Application No. 58339.

SECTION 2. ROUTE DESCRIPTIONS.

Napa

Commencing in the City of Napa or any point within three miles of the Napa City Limits; thence via State Highway 29, State Highway 37 to the entrance of the Mare Island Naval Shipyard.

St. Helena

Commencing in the City of St. Helena or any point within three miles of the St. Helena City Limits; thence via State Highway 29, State Highway 37 to the entrance of the Mare Island Naval Shipyard.

Fairfield

Commencing in the City of Fairfield or any point within three miles of Fairfield City Limits; thence via Interstate Highway 80, State Highway 37 to the entrance of the Mare Island Naval Shipyard.

Vacaville

Commencing in the City of Vacaville or any point within three miles of said city's corporate limits; thence via Interstate Highway 80, State Highway 37 to the entrance of the Mare Island Naval Shipyard.

Benicia

Commencing in the City of Benicia or any point within three miles of Benicia City Limits; thence via Interstate Highway 680 to the city limits of Vallejo; continue via Vallejo city streets to State Highway 37 to the entrance of the Mare Island Naval Shipyard.

SECTION 2. ROUTE DESCRIPTIONS. (Contd.)

Vallejo

Commencing at the intersection of State Highway 29 (also known as Napa Road) and Rio Del Mar Road in the County of Napa; thence southwest to Rio Del Mar Road, West Carolyn Drive, Landana Street, Donaldson Way, Los Altos (Napa County), north Carolyn Drive, Rio Del Mar Road, Cassayre Drive, Melvin Road, Wilson Way, Andrew Way, Crawford Way, State Highway 29, Kimberly Drive, Elliott Drive, Dillion Drive, Diana Drive, Mini Drive, State Highway 29, Valle Vista Avenue, Sacramento Street, Gardner Street, Selfridge Street, north Rodgers Street, Daniels Avenue, Wilson Avenue, Mare Island Causeway to the entrance of Mare Island Naval Shipyard.

Issued by California Public Utilities Commission.

Decision No. 90135, Application No. 58339.