

ORIGINAL

Decision No. 90898 OCT 10 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of JOHN RONALD PRAYTOR,  
KATHLEEN PRAYTOR, PAUL SCHRAFF and  
JOAN SCHRAFF for authorization to  
acquire, control and operate  
KERVILLE STAGE & FREIGHT LINES OF  
CALIFORNIA, a California Corporation.

Application No. 58986  
(Filed July 11, 1979)

O P I N I O N

Pursuant to the provisions of Section 854 of the Public Utilities Code, John Ronald Praytor, Kathleen Praytor, husband and wife, and Paul Schraff and Joan Schraff, husband and wife, request authority to acquire stock control of Kernville Stage & Freight Lines of California, a corporation, which provides services as a highway common carrier for the transportation of general commodities between points within the State. The corporation has 1,000 shares of common stock outstanding. These shares are presently held by Richard Pozas and by Merrill A. Saunders, president and vice president of the corporation, respectively.

John Ronald Praytor is presently providing service as a permitted carrier within the San Joaquin Valley. Paul Schraff has been engaged in the trucking business for twenty years and presently leases trucking equipment to Allied Van Lines.

The agreed consideration for the 1,000 issued shares of stock is \$200,000 payable as follows:

- (a) Cash in the amount of \$58,000.
- (b) The balance of \$142,000 in the form of a promissory note payable in 84 equal monthly installments, commencing January 2, 1980, with interest at the rate of 9-1/4 percent per annum.

Findings of Fact

1. The Commission finds that the proposed stock acquisition of Kernville Stage & Freight Lines of California would not be adverse to the public interest.

2. Notice of the filing of the application was published in the Commission's Daily Calendar dated July 13, 1979. No protest has been received. A public hearing is not necessary.

Conclusion of Law

The Commission concludes that the application should be granted.

John Ronald Praytor, Kathleen Praytor, Paul Schraff, and Joan Schraff are 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.

O R D E R

IT IS ORDERED that:

1. After the effective date hereof John Ronald Praytor, Kathleen Praytor, Paul Schraff, and Joan Schraff may acquire control of Kernville Stage & Freight Lines of California, a corporation, in accordance with the terms of the stock purchase agreement as set forth in Exhibit 1 attached to the application.

2. Within ninety days after the date hereof John Ronald Praytor, Kathleen Praytor, Paul Schraff, and Joan Schraff shall

file reports informing the Commission whether the control authorized has been completed.

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

Dated OCT 10 1979, at San Francisco, California.

John E. Gups President  
William L. Stephens  
Richard D. Howell  
Leonard M. Spivey Commissioners

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.