

Decision No. 37491

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of J. C. Freese Co. and Transit ) Application No. 26295  
Service Co., concerning a permit )  
under the "For-Hire Vessel Act." )

BY THE COMMISSION:

**ORIGINAL**

OPINION AND ORDER

In this proceeding J. C. Freese Company, a copartnership, requests cancellation of its "For-Hire Vessel" permit covering the transportation of bulk molasses; and Transit Service Company, a copartnership, seeks a "For-Hire Vessel" permit for such transportation between Point San Pablo on the one hand and Sausalito, Collinsville, Stockton and vessels in the stream on the other hand.

The verified application discloses that Transit Service Company has contracts with the following shippers: American Distilling Company, Pacific Molasses Company, Fontana Farms Company and Matson Navigation Company. The shippers and the points proposed to be served by Transit Service Company include all those which are presently served by J. C. Freese Company. Competing carriers have been notified and have offered no objection to the granting of the application.

The application appears to meet the requirements of the "For-Hire Vessel Act." It will be granted.

John F. Conway, Jr., Ruth Freese Conway, Albert C. Freese, Gertrude S. Freese and Richard F. Mogan, doing business as Transit Service Company, be and they are hereby placed upon 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

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1. The copartnership doing business as J. C. Freese Company is composed of Constance Mogan and Ruth Freese Conway while the partners comprising the copartnership doing business as Transit Service Company are John F. Conway, Jr., Ruth Freese Conway, Albert C. Freese, Gertrude S. Freese and Richard F. Mogan.

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, they extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be changed or destroyed at any time by the State, which is not in any respect limited to the number of rights which may be given.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that the "For-Hire Vessel" permit issued to Constance Mogan and Ruth Freese Conway, copartners doing business as J. C. Freese Company, in Application No. 19148, be and it is hereby revoked; and that the tariff on file with the Commission pertaining to operations under said permit be and it is hereby canceled.

IT IS HEREBY FURTHER ORDERED that a "For-Hire Vessel" permit be and it is hereby issued to John F. Conway, Jr., Ruth Freese Conway, Albert C. Freese, Gertrude S. Freese and Richard F. Mogan, copartners doing business as Transit Service Company, to operate that certain steel hull molasses tanker barge described in the application as a for-hire vessel between Point San Pablo on the one hand and Sausalito, Collinsville, Stockton and vessels in the stream on the other hand for the transportation of bulk molasses for American Distilling Company, Matson Navigation Company, Pacific Molasses Company and Fontana Farms Company, via all navigable routes.

IT IS HEREBY FURTHER ORDERED that in the operation of the vessel service authorized in the preceding ordering paragraph the aforesaid copartners shall comply with and observe the following service regulations:

1. File written acceptance of the permit herein granted within a period of not to exceed thirty (30) days from the date hereof.

2. File in triplicate a tariff containing rates, charges and regulations conforming with those filed with the application and specifying the shippers to be served as herein authorized within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and to the public.

This order shall become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 21<sup>st</sup> day of November, 1944.

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*Justice F. Crocker*  
*Francis L. Havenue*  
*Francis L. Havenue*  
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Commissioners