

Decision No. 37961

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application
for Sale of the Garberville Gas
Company, Humboldt County, State
of California, to Kenneth E. Knapp.

Application
No. 26747

BY THE COMMISSION:

O P I N I O N

In this application, Mrs. Grace O. Knapp, adminis-
tratrix of the estate of D. E. Knapp, doing business under the
name of Garberville Gas Company, asks permission to sell the
Garberville Gas Company properties to her son, Kenneth E.
Knapp, who joins in the application.

By Decision No. 31512, dated December 5, 1938, in
Application No. 22178, the Commission granted a certificate of
public convenience and necessity to D. E. Knapp and F. R.
Dawley to construct and operate facilities used in the furnish-
ing of Butane Gas service in the Town of Garberville. Subse-
quently F. R. Dawley assigned his interest in the certificate
and gas properties to D. E. Knapp. The order herein will
approve the assignment.

By an agreement dated February 28, 1942, D. E. Knapp
agreed to sell the certificate and gas properties to his son,
Kenneth E. Knapp, for \$10,500. A copy of the agreement is

filed in this application as Exhibit "A". The properties in general consist of lots 2 and 3 of Tobin's Annex, Town of Garberville, the franchise granted by the Board of Supervisors of Humboldt County together with the certificate granted by the Commission, a steel tank with necessary fixtures for the storage of Butane, approximately 14,600 feet of distribution pipes, about 110 meters, and miscellaneous materials and supplies. For 1944 the operating revenues of Garberville Gas Company are reported at \$7,859.89 and the operating expenses, including taxes and depreciation, at \$7,390.38. The net operating revenue amounted to \$469.51.

D. E. Knapp died on March 29, 1945. His widow, Grace O. Knapp, has been appointed administratrix of her husband's estate. As said, she requests permission to sell said gas properties to her son, Kenneth E. Knapp, who has managed and operated the properties during the past six years. He will continue to operate the properties under the rates, rules and regulations filed by D. E. Knapp and now in effect. He should file with the Commission a notice that he will adopt, effective concurrently with the purchase of said properties, said rates, rules and regulations.

The law provides that the Commission shall have no power to authorize the capitalization of the franchise involved herein or the certificate of public convenience and necessity granted by said Decision No. 31512, or the right to own, operate or enjoy such franchise or certificate in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or to a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right.

Q R D E R

The Commission has considered applicants' request and is of the opinion that this is not a matter on which a hearing is necessary, that the transfer of said properties is in the public interest, and that this application should be granted; therefore,

IT IS ORDERED as follows:

1. The assignment by Frank R. Dawley of his interest in the Garberville Gas Company properties to D. E. Knapp is hereby approved.
2. Mrs. Grace O. Knapp, administratrix of the estate of D. E. Knapp, may, on or before November 30, 1945, sell the Garberville Gas Company properties described in Exhibit "A" on file in this application to Kenneth E. Knapp.
3. Kenneth E. Knapp shall, prior to the purchase of said properties, file with the Railroad Commission a notice that he will adopt, effective concurrently with the purchase of said properties, the rates, rules and regulations filed on June 1, 1939, by Dwight E. Knapp, and that he will refund to consumers any amounts due them under said rules and regulations.
4. The authority herein granted is effective upon the date hereof.
5. If Kenneth E. Knapp acquires said gas properties, he shall file with the Railroad Commission a copy of the deed, a copy of the bill of sale, and a copy of any other instrument executed for the purpose of vesting title in him to said properties.
6. The action taken herein shall not be construed to be a finding of value for any purpose other than the proceeding herein involved.

Dated at San Francisco, California, this 5th day
of June, 1945.

Harold Ordway
Justice J. C. Rogers
Richard L. Baker
Frank W. Clark
Sam H. Powell
Commissioners