

ORIGINAL

Decision No. 40618

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)

H. F. ALEXANDER and)
PACIFIC COAST STEAMSHIP COMPANY,)
a corporation,)

for (1) an order authorizing transfer)
by H. F. Alexander to Pacific Coast)
Steamship Company of certificate of)
public convenience and necessity, and)
(2) an order authorizing Pacific Coast)
Steamship Company to issue shares of)
its common stock.)

Application
No. 28590

O P I N I O N

The Commission, by its order in Decision No. 40304 dated May 20, 1947 in Application No. 27797 granted H. F. Alexander a certificate of public convenience and necessity "authorizing the establishment and operation of service as a common carrier by vessel for the transportation of passengers, automobiles transported incidental to the transportation of passengers, and motor vehicle equipment constructed for transporting freight over the public highways, both empty and freight laden, between San Francisco and Long Beach."

The said order provides that the certificate will not become effective until:

- (a) Applicant files with this Commission a certified copy of the articles of incorporation of the corporation organized for the purpose of taking over the herein proposed operation, said articles of corporation being then lawfully on file in the office of the Secretary of State of this State; and,
- (b) Applicant files with this Commission a written notice that suitable vessels are being acquired and makes a full and satisfactory showing of its financial structure.

The said order further provides that in providing service pursuant to said certificate the following service conditions shall be observed and complied with:

1. Applicant shall file a written acceptance of the certificate herein granted within a period not to exceed thirty (30) days from the date that the certificate herein granted becomes effective.
2. Applicant shall file in triplicate and concurrently make effective appropriate tariffs and time schedules thirty (30) days prior to the commencement of the contemplated service, on not less than ten (10) days' notice to the Commission and to the public. Said tariffs shall contain rates, fares and charges identical with those filed in the instant application, as amended.

On May 23rd H. F. Alexander filed his written acceptance of said certificate.

In this application he asks permission to transfer to Pacific Coast Steamship Company said certificate of public convenience and necessity. The Company asks permission to issue and sell not exceeding ten (10) shares of its common stock at the price of \$1.00 per share and use the proceeds to pay organization expenses.

Pacific Coast Steamship Company is a corporation organized and existing under and by virtue of the laws of the State of California. A copy of its articles of incorporation is on file in this application as Exhibit "A". The Company has an authorized stock issue of 1,000 shares of the aggregate par value of \$1,000. The par value of each share is one dollar (\$1.00). This application does not show how the Company proposes to finance the acquisition of its vessels and other properties needed in its operation. Neither H. F. Alexander nor the Company has as yet complied with paragraph (b) of the order in said Decision No. 40304. The certificate of public convenience and necessity granted

by said order is therefore not yet in effect.

Applicants have executed an instrument for the transfer of said certificate of public convenience and necessity to the Company, subject to the approval of said transfer by the Public Utilities Commission of the State of California. A copy of said instrument is on file in this application as Exhibit "B". In consideration of said transfer of said certificate of public convenience and necessity, the Company assumes and agrees to carry out all obligations imposed by the order in said Decision No. 40204, and further agrees to assume all obligations and liabilities heretofore incurred or which may be hereafter incurred in connection with or in furtherance of the proposed operation, including without limiting the generality of the foregoing, all obligations to pay or to reimburse any person or persons for services rendered or expenses incurred, all fees and expenses for the organization of said Pacific Coast Steamship Company, all fees and expenses in any proceedings before the Public Utilities Commission and all compensation for services, fees and expenses of any kind or character incurred or to be incurred in connection with the promotion, development and financing of the proposed operation. Applicants have not supplies the Commission with any data showing the extent of the obligations and liabilities incurred or to be incurred in connection with the organization, development, promotion and financing of the proposed operation. The order herein should not be construed as a finding that said obligations or liabilities may be paid through the issue of stock or some form of indebtedness.

O R D E R

The Commission having considered the requests of H. F. Alexander and Pacific Coast Steamship Company and it being of the opinion that no hearing is necessary on this application, that the money, property or labor to be procured or paid for through the issue of ten (10) shares of stock by Pacific Coast Steamship Company is reasonably required for the purpose herein stated, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income and that this application should be granted as herein provided, therefore,

IT IS HEREBY ORDERED as follows:

1. H. F. Alexander may, after the effective date hereof and on or before September 30, 1947 transfer to Pacific Coast Steamship Company, subject to the provisions of the order of said Decision No. 40304 dated May 20, 1947 the certificate of public convenience and necessity granted to said H. F. Alexander by said Decision No. 40304, dated May 20, 1947.

2. Pacific Coast Steamship Company may, after the effective date hereof and on or before September 30, 1947, issue and sell at one dollar (\$1.00) per share, not exceeding ten (10) shares of its common stock and use the proceeds to pay organization expenses.

3. Within thirty (30) days after the issue of said stock, Pacific Coast Steamship Company shall file with the Commission a statement showing the number of shares of stock issued under the authority herein granted, to whom said shares of stock were issued, the consideration received for said

shares of stock and the purposes for which the proceeds from said shares of stock were expended.

4. The authority herein granted will become effective fifteen (15) days after the date hereof.

Dated at San Francisco, California, this 19th day of August 1947.

Harold P. Kule

Irish Russell

A. E. Dunning

Commissioners