

ORIGINAL

Decision No. 42366

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

- In the Matter of the Application of)
PETROLEUM TANK LINE for authority to)
transport petroleum, etc., in California.) Application No. 30011
- In the Matter of the Application of)
G & N TANK TRUCKING COMPANY for authority)
to transport petroleum, etc., in)
California.) Application No. 30012
- In the Matter of the Application of)
RANSOME TRANSPORTATION COMPANY for)
authority to transport petroleum, etc.,)
in California.) Application No. 30036
- In the Matter of the Application of)
AMERICAN TRANSFER COMPANY for authority)
to transport petroleum, etc., in)
California.) Application No. 30037

Phil Jacobson, for Petroleum Tank Line and
G & N Tank Trucking Company; Edward M. Berol,
for Ransome Transportation Company and
American Transfer Company, applicants.

O P I N I O N

There are four applicants herein, each seeking a certificate of public convenience and necessity to operate as a highway common carrier, as defined in Section 2 3/4 of the Public Utilities Act of the State of California, for the transportation of liquid petroleum products, in bulk, in tank trucks and trailers.

Public hearings were held at Los Angeles, California, on February 24, 1949, before Commissioner Kuls and Examiner Syphers. On this date, evidence was adduced and the matters were submitted.

Petroleum Tank Line is a California corporation, formed in January, 1947, and having its principal place of business in West Sacramento, California. It is engaged in the business of transporting liquid petroleum products in tank trucks and trailers, with the exception of liquid petroleum gases and other petroleum products requiring pressurized tanks, and also with the exception of liquid asphalts and hot road oils. Concerning liquid asphalts and hot road oils, there was testimony that applicant had conducted some hauls of these commodities, but not during the past year. Also, the testimony indicated that applicant, at present, has no insulated equipment.

This applicant owns and operates 10 trucks and 10 trailers, each of which is equipped with a tank for the hauling of refined petroleum products. At its terminal in West Sacramento, it maintains an office, yard, and shop facilities. The corporation has approximately twenty employees. Exhibit No. 1, introduced at the hearing, contains a list of the applicant's equipment, a balance sheet as of September 30, 1948; a profit and loss statement for the period from January 1 to September 30, 1948; a statement of points of origin and destination to and from which applicant has hauled; and a list of the various consignors and consignees. Exhibit No. 2 consists of a balance sheet as of December 31, 1948, and a profit and loss statement for the period from January 1 to December 31, 1948.

A consideration of these exhibits, together with the operative testimony presented at the hearing, leads to the conclusion that this applicant is willing and able to perform the proposed service. The application originally requested authority

to transport petroleum products along principal highways in the State of California north of Santa Barbara and Bakersfield and lateral rights within fifty miles of these highways. In this connection, the list of origin and destination points comprising part of Exhibit No. 1 has been considered as evidencing the public demand for applicant's services in the past.

George W. Gill, Jr., and John E. Newman are partners doing business as G & N Tank Trucking Company. This partnership, according to the testimony, has been in business for several years and maintains its principal place of business in Sacramento, California. This applicant does not transport liquefied petroleum gases nor other petroleum products requiring pressurized tanks, but it does transport refined petroleum products, and also liquid asphalts and hot oils in insulated tanks. In West Sacramento, this applicant maintains a company shop, yard, storage, and shed facilities. Exhibit No. 3 contains a list of this applicant's equipment which shows six trucks and six trailers. This exhibit also contains a balance sheet, dated December 1, 1948; a profit and loss statement for the period from February 1 to November 30, 1948; and a statement of points of origin and destination to and from which this applicant has hauled; and a list of the various shippers and consignees. Exhibit No. 4 is a balance sheet for this applicant, dated January 31, 1949, and Exhibit No. 5 is a profit and loss statement for the period from January 31, 1948, to January 31, 1949.

From an analysis of the exhibits and the testimony presented, it appears that this applicant is willing and able to conduct the proposed operations. The application requests authority

to transport petroleum products over the principal highways throughout the State of California and off route points within fifty miles of these highways. However, an examination of the points of origin and destination submitted with Exhibit No. 3 fails to disclose any points south of Los Angeles. This list of points of origin and destination has been considered as showing the public demand for applicant's services in the past.

The testimony, as to the transportation of liquid asphalts and hot road oils, was similar to the testimony presented in Application No. 29416, Lang Transportation Corporation, et al. Accordingly, Decision No. 42643, dated March 15, 1949, issued as a result of the Lang application, as to the status of the transportation of liquid asphalts and hot road oils, is controlling in this matter.

Ransome Transportation Company is a California corporation, formed in 1943, having its principal office at Emeryville, California. It is engaged in the transportation of liquid petroleum products which are moved in pressure vessels, consisting primarily of liquefied petroleum gases and casinghead gasoline, but it does not transport asphalts or hot road oils, nor does it transport ordinary gasoline or other refined petroleum products.

This applicant owns and operates 9 trucks, 2 tractors, 9 full trailers, and 2 semitrailers. Its terminal facilities are located in Avenal, and its shops, dispatching facilities, and offices are maintained there. Exhibit No. 6 is a balance sheet of applicant company as of September 30, 1948; Exhibit No. 7 is a statement of income and expense for the fiscal year ended September 30, 1948; Exhibit No. 8 is a list of applicant's equipment; Exhibit No. 9 is a list of points of origin and destination

previously served by applicant; and Exhibit No. 10 is a list of shippers and consignees who have used applicant's services.

A consideration of these exhibits, together with the operative testimony presented at the hearing, leads to the conclusion that this applicant is willing and able to perform the proposed service. The application requests authority to transport petroleum products along principal highways in the State of California and off route points within fifty miles of these highways. However, at the hearing, the testimony indicated that this applicant had performed no hauling south of Los Angeles, and an examination of Exhibit No. 9 confirms this testimony. The list of origin and destination points comprising Exhibit No. 9 has been considered as evidencing a public demand for applicant's services in the past.

American Transfer Company is a California corporation, formed in March of 1947. It has its principal place of business in Fresno, California, and is engaged in the transportation of liquid petroleum products, including liquid asphalts and hot road oils, but excluding liquefied petroleum gases requiring pressurized tanks. Concerning the liquid asphalts and hot road oils, the testimony was similar to the testimony presented in the Lang case, supra, and according to Decision No. 42643, dated March 15, 1949, is controlling in this matter as to the status of the transportation of hot road oils and liquid asphalts.

This applicant owns and operates 5 trucks, 18 tractors, 21 full trailers, and 32 semitrailers, together with various miscellaneous units, spreader equipment, converter gears, and additional tanks. At its terminal in Fresno, it maintains an

office, yard, and shop facilities. Exhibit No. 11 is a statement of assets and liabilities as of September 30, 1948; Exhibit No. 12 is a statement of income and expense for the period from January 1 to September 30, 1948; Exhibit No. 13 is a schedule of equipment; Exhibit No. 14 is a list of points of origin and destination to and from which applicant has hauled; and Exhibit No. 15 is a list of consignors and consignees who have utilized applicant's services.

A consideration of these exhibits, together with the other testimony presented, leads to the conclusion that this applicant likewise is willing and able to perform the services proposed. The application requests authority to transport over the principal highways of California north of Los Angeles and off route points within fifty miles of these highways. An examination of Exhibit No. 14 fails to disclose any shipments originating at, or destined to, points south of Bakersfield. In this connection, the list of origin and destination points comprising Exhibit No. 14 has been considered as evidencing a public demand for applicant's services in the past.

Concerning the public convenience and necessity of each of these proposed operations, we here point out that the public-witness testimony presented in Application 29416 (Lang Transportation Company, et al) was incorporated in this record. In this respect, therefore, we refer to Decision No. 42643, supra, issued in this prior application. In addition, testimony was presented by representatives of two oil companies, which testimony tended to substantiate the testimony in the Lang case, supra. Upon this record, therefore, the applications will be granted to the extent of the showing made, and we hereby conclude that public convenience

and necessity require the institution of highway common carrier service, for the transportation of petroleum products in bulk, as set out in the ensuing Order.

Applicants are, and each is, hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be 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 granting of such rights. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. 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.

O R D E R

Applications as above entitled having been filed, public hearings having been held thereon, the matters having been submitted, the Commission being fully advised in the premises and hereby finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity, authorizing the establishment and operation of a service as a highway common carrier, as defined in Section 2 3/4 of the Public Utilities Act, for the transportation of petroleum products, in bulk, except liquefied petroleum gases and any other products requiring pressurized tanks, and except liquid asphalt and hot road oils and any other petroleum products requiring insulated tanks, be, and it hereby is granted to each of the following-named

persons, copartnerships, and corporations, respectively, along the routes and between the points hereinafter specified:

(a) By Petroleum Tank Line, a corporation, and American Transfer Company, a corporation, upon and along the following described routes, including all intermediate points, with the right to make lateral departures therefrom within a radius of fifty (50) miles of said routes:

1. U. S. 101 and U. S. 101 By-Pass between California-Oregon State Line and Santa Barbara;
2. U. S. 99, 99-E, and 99-W between California-Oregon State Line and Bakersfield;
3. U. S. 395 between California-Oregon State Line and the California-Nevada State Line via Alturas & Johnstonville;
4. State Highway 36 between Junction 99-E near Red Bluff and Junction 395 at Johnstonville;
5. State Highway 20 between Marysville and Junction U. S. 40;
6. U. S. 40 between San Francisco and California-Nevada State Line;
7. U. S. 50 between Sacramento and California-Nevada State Line;
8. U. S. 395 between California-Nevada State Line at Topaz Lake and Lone Pine.

(b) By George W. Gill, Jr., and John E. Newman, partners, doing business as G & N Tank Trucking Company, upon and along the following described routes, including all intermediate points, with the right to make lateral departures therefrom within a radius of fifty (50) miles:

1. U. S. 101 and U. S. 101 By-Pass between California-Oregon State Line and Los Angeles;
2. U. S. 99, 99-E, and 99-W between California-Oregon State Line and Los Angeles;
3. U. S. 395 between California-Oregon State Line and the California-Nevada State Line via Alturas & Johnstonville;
4. State Highway 36 between Junction 99-E near Red Bluff and Junction 395 at Johnstonville;
5. State Highway 20 between Marysville and Junction U. S. 40;
6. U. S. 40 between San Francisco and California-Nevada State Line;

7. U. S. 50 between Sacramento and California-Nevada State Line;
8. U. S. 395 between the California-Nevada State Line from Topaz Lake to Junction of U. S. 66;
9. U. S. 66 between Los Angeles and Needles, U. S. 91 and 466 between Barstow and California-Nevada State Line;
10. State Highway 127 between Baker and California-Nevada State Line.

(2) That a certificate of public convenience and necessity, authorizing the establishment and operation of a service as a highway common carrier, as defined in Section 2 3/4 of the Public Utilities Act, for the transportation of liquefied petroleum gases and any other petroleum products requiring pressurized tanks, be, and it hereby is, granted to Ransome Transportation Company, a corporation, along the routes and between the points hereinafter specified, including all intermediate points, with the right to make lateral departures therefrom within a radius of fifty (50) miles of said routes:

1. U. S. 101 and U. S. 101 By-Pass between Oregon-California State Line and California-Mexican Line;
2. U. S. 99, 99-E, and 99-W between Oregon-California State Line and the Mexican Border;
3. U. S. 299 between Redding and Alturas, California;
4. U. S. 395 between the Oregon-California State Line and the California-Nevada State Line, via Alturas and Johnstonville;
5. State Highway 36 between Junction 99-E near Red Bluff, California, and Junction U. S. 395 at Johnstonville;
6. State Highway 20 between Marysville, California, and Junction U. S. 40;
7. U. S. 40 between San Francisco and California-Nevada State Line;
8. U. S. 50 between Sacramento, California, and California-Nevada State Line;
9. U. S. 395 between California-Nevada State Line at Topaz Lake and Junction U. S. 66;
10. U. S. 66 between Los Angeles, California, and Needles;
11. U. S. 60 between Los Angeles, California, and California-Arizona State Line;

12. U. S. 91 and 466 between Barstow and Nevada-California State Line;
13. State Highway 127 between Baker and Nevada-California State Line.

(3) That in providing service pursuant to the certificates herein granted, there shall be compliance with the following service regulations:

- (a) Applicants shall file a written acceptance of the certificates herein granted within a period of not to exceed thirty (30) days after the effective date hereof.
- (b) Applicants shall, within sixty (60) days after the date hereof, and upon not less than five (5) days' notice to the Commission and the public, establish the service herein authorized and comply with the provisions of General Order No. 80 and Part IV of General Order No. 93-A, by filing, in triplicate, and concurrently making effective, tariffs and time schedules satisfactory to the Commission.

In all other respects, Applications Nos. 30011, 30012, 30036 and 30037 shall be denied.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 10th day of May, 1949.

R. E. Dunnington
Justin F. Craven
James H. Kappell
Harold F. Hule
Samuel D. Little
 COMMISSIONERS