

Decision No. 42980

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of E. O. HURLBERT and )  
V. G. KEYES, a partnership, doing )  
business as GENERAL TRANSFER COMPANY, )  
and PACIFIC FREIGHT LINES, a corpora- )  
tion, for (1) approval of a lease of )  
operative rights under a lease and ) Application No. 29657  
option to purchase agreement: (2) )  
authority to effect a sale of real )  
and personal property; and (3) of )  
Pacific Freight Lines to issue notes.)

SUPPLEMENTAL OPINION AND ORDER

By Decision No. 42193, dated November 3, 1948, in this proceeding, E. O. Hurlbert and V. G. Keyes, copartners, were authorized to lease certain operative rights with option to purchase, and to transfer real property, automotive equipment and other personal property to Pacific Freight Lines, a corporation. The latter was authorized to issue 28 promissory notes and to execute a deed of trust and chattel mortgage or chattel mortgages to secure payment of the promissory notes. The time within which the authority may be exercised was extended to June 15, 1949, by Decision No. 42728, dated April 19, 1949.

Applicants applied to the Interstate Commerce Commission for similar authority because interstate operations and operating authority were also involved in the contemplated transaction. In order to meet certain objections raised in the proceedings before that Commission, applicants entered into new negotiations and now desire that the operative rights be transferred through purchase instead of by a lease-purchase arrangement.

The proposed consideration is \$260,000. Of this amount, it is claimed that \$40,000 represents the value of operative rights and the balance the value of the real property, automotive property and other personal property. The necessary financial arrangements have been approved by the Interstate Commerce Commission.

Upon examination of the record herein, it does not appear that a further hearing is necessary. In our opinion, the Commission's prior orders should be modified to permit the consummation of the transaction as now proposed in the First Supplemental Application, filed May 28, 1949. Therefore, good cause appearing,

IT IS ORDERED:

1. That the orders in Decisions Nos. 42193 and 42728 in this proceeding be and they are hereby vacated and set aside.

2. That E. O. Hurlbert and V. G. Keyes, copartners, may after the effective date hereof, and on or before September 1, 1949, sell and transfer, and Pacific Freight Lines, a corporation, may purchase and acquire the operative rights and properties to which reference is made in this and prior decisions in this proceeding. Such sale and transfer shall be subject to the terms and conditions set forth in the First Supplemental Application, filed May 28, 1949.

3. That applicants shall upon consummating the sale and transfer herein authorized 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, appropriate tariffs

and time schedules on not less than 5 days' notice to the Commission and the public.

This order shall become effective 20 days after the date hereof.

Dated at San Francisco, California, this 14<sup>th</sup> day of June, 1949.

R. F. Johnson  
Justin F. Casner  
Frank D. Rayell  
Harold P. Kala  
Samuel P. Tott  
COMMISSIONERS