

ORIGINALDecision No. 46010

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 ALLYN TANK LINE, INC., a California)
 corporation, to transfer its certifi-)
 cates of public convenience and)
 necessity and city carrier permit,)
 named herein, to O. F., Geraldine G.,)
 W. J., Doris A., Geo. H. and Letha B.)
 Collinge, a partnership, doing business)
 as Allyn Tank Line. Said certificates)
 authorize operations as a highway)
 common carrier for the transportation)
 of petroleum products, including)
 liquid asphalts and hot road oils)
 in bulk, in tank truck and trailers)
 over regular and irregular routes in)
 California; said city carrier permit)
 authorizes transportation of commodi-)
 ties transported in tank trucks and)
 tank trailers within certain in-)
 corporated cities in California.)

Application No. 32481

O P I N I O N

Allyn Tank Line, Inc., a California corporation, seeks authority to transfer to O. F., Geraldine G., W. J., Doris A., Geo. H. and Letha B. Collinge, a partnership, doing business as Allyn Tank Line, a certificate of public convenience and necessity authorizing the transportation of petroleum products in bulk over specified routes, granted by Decision No. 42623, dated March 15, 1949, on Application No. 29631, as amended by Decision No. 43515, dated November 7, 1949, on Application No. 29631, and also a certificate of public convenience and necessity authorizing operations as a petroleum irregular route common carrier granted by Decision No. 44430, dated

June 20, 1950, on Application No. 31215, and also those operating rights held by Allyn Tank Line as a city carrier under grandfather Permit No. 19-39890, dated June 7, 1950,

The application alleges that the six individuals named above constitute all of the owners and officers of the corporation Allyn Tank Line, Inc., and are now in the process of dissolving this corporation. They have established in lieu thereof the above-mentioned partnership. All of the assets and liabilities, including the tangible properties held by Allyn Tank Line, Inc., as of May 1, 1951, are proposed to be transferred to the partnership. Exhibit "A", attached to the application, is a balance sheet giving effect to this transfer.

After a full consideration of this matter we are of the opinion that Allyn Tank Line, Inc., a corporation, should be permitted to transfer the operative rights and assets, herein referred to, to the above-mentioned partnership.

In authorizing this transfer, we are making no finding of value of the operative rights and hereby place the transferees 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 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 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

Application as above entitled having been made, the Commission being fully advised in the premises and hereby finding that the proposed transfer will not be adverse to the public interest,

IT IS ORDERED:

(1) That Allyn Tank Line, Inc., after the effective date hereof, may transfer to O. F., Geraldine G., W. J., Doris A., Geo. H. and Letha B. Collinge, a partnership, doing business as Allyn Tank Line, the assets set out on the balance sheet hereinabove mentioned, and the certificate of public convenience and necessity to transport petroleum products in bulk, granted by Decision No. 42623, dated March 15, 1949, on Application No. 29631, as amended by Decision No. 43515, dated November 7, 1949, on Application No. 29631, the certificate of public convenience and necessity authorizing operations as a petroleum irregular route carrier granted by Decision No. 44430, dated June 20, 1950, on Application No. 31215, and the operating authority as a city carrier granted under Permit No. 19-39890, dated June 7, 1950. The six partners hereinabove named, doing business as Allyn Tank Line, are hereby authorized to purchase said operative rights and tangible property, and thereafter to operate thereunder, subject to the conditions hereinafter set out.

(2) That O. F., Geraldine G., W. J., Doris A., Geo. H. and Letha B. Collinge, a partnership, doing business as Allyn Tank Line, should this transfer be effected, shall 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 within

sixty (60) days after the effective date hereof, and upon not less than five (5) days' notice to the Commission and the public.

(3) That O. F., Geraldine G., W. J., Doris A., Geo. H. and Letha B. Collinge, a partnership, doing business as Allyn Tank Line, within thirty (30) days after making the transfer hereinabove authorized, shall file with the Commission a statement showing the journal entries used to record on its books the purchase of the operating authorities and the property herein authorized to be transferred.

(4) That the action taken herein shall not be construed to be a finding of value of the property herein authorized to be transferred.

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

Dated at San Francisco, California, this 31st day of July, 1951.

R. T. Indurain
Justus F. Cramer
Harold P. Hule
Francis W. Potter
John E. Mitchell
COMMISSIONERS