

**ORIGINAL**

Decision No. 47185

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
F. N. RUMBLEY COMPANY, a corporation,	:	
to sell and transfer, and of R. A.	)	
CONYES, an individual, to purchase	:	Application
and acquire a certificate of public	)	No. 33402
convenience and necessity and public	:	
utility property.	)	
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O P I N I O N

This is an application for an order authorizing F. N. Rumbley Company to transfer operative rights and properties to R. A. Conyes.

F. N. Rumbley Company is a California corporation engaged in business as a petroleum irregular route carrier for the transportation of liquid asphalt, hot road oils and other petroleum products requiring insulated tanks between all points and places within the State of California and as a highway common carrier for the transportation of petroleum products in bulk, except liquid asphalt and hot road oils and other petroleum products requiring insulated tanks between points and places within the State of California under certificates of public convenience and necessity granted by this Commission, and as a motor carrier in interstate and foreign commerce for the transportation of specified petroleum products in bulk between points in the states of California, Nevada, Arizona and New Mexico, under certificates of public convenience and necessity issued by the Interstate Commerce Commission. The application shows that the company intends to dispose of its petroleum irregular route carrier and its interstate carrier operative rights, together with

certain motor carrier equipment, to R. A. Conyes, retaining for itself the highway common carrier operations.

The properties to be transferred include the certificates granted by the Interstate Commerce Commission, a certificate of public convenience and necessity granted by this Commission by Decision No. 44136, dated May 2, 1950, in Application No. 30934, and equipment consisting of 15 trucks, 18 trailers, 8 sets of gasoline tanks, 40 hot oil tanks, and other equipment located at the company's West Sacramento terminal. The agreed purchase price, according to the application, is the sum of \$373,100 payable in cash, of which \$15,000 represents the purchase price of the interstate rights, \$2,500 the purchase price of the certificate of public convenience and necessity granted by this Commission, and \$355,600 the motor carrier equipment.

R. A. Conyes, doing business under the name of R. A. Conyes Tank Lines, is engaged in business as a highway common carrier for the transportation of petroleum products in bulk, except liquefied petroleum gases and any other petroleum products requiring pressurized tanks and except liquid asphalt and hot road oils and any other petroleum products requiring insulated tanks between specified points in California, pursuant to a certificate of public convenience and necessity granted by Decision No. 42623, dated March 15, 1949, in Application No. 29471. Information filed with the Commission shows that he has sufficient resources to provide the cash payment agreed upon in connection with the application here under review, and that he is experienced in the transportation of petroleum products in bulk. Under the circumstances set forth in this proceeding it appears that the proposed transfer will not be adverse to the public interest.

R. A. Conyes is hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be capitalized or 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 as to the number of rights which may be given.

O R D E R

The Commission having considered the above entitled matter and being of the opinion that a public hearing thereon is not necessary, and that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. F. N. Rumbley Company, after the effective date hereof and on or before September 30, 1952, may transfer the operative rights granted by Decision No. 44136, dated May 2, 1950, in Application No. 30934, and the properties referred to in this application to R. A. Conyes, such transfer to be made in accordance with the terms of the agreement of sale filed in this proceeding as Exhibit C.
2. The action taken herein shall not be construed to be a finding of the value of the rights and properties herein authorized to be transferred.
3. On not less than five (5) days' notice to the Commission and to the public, R. A. Conyes shall comply with the provisions of

General Order No. 80 and Part 14 of General Order No. 99, by filing, in triplicate, and concurrently making effective, appropriate tariffs and time tables.

4. The authority herein granted will become effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this 27<sup>th</sup> day of May, 1952.

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President

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Commissioners