

ORIGINALDecision No. 47500

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of L. NOORDMAN to sell, and
WILLIAM P. WELLS, doing business
as TANK TRANSPORT, to buy
petroleum irregular route common
carrier rights between points in
the State of California.

Application No. 33521

O P I N I O N

L. Noordman, an individual, seeks authority to transfer to William P. Wells, an individual, doing business as Tank Transport, a certificate of public convenience and necessity authorizing operations as a petroleum irregular route carrier, granted by Decision No. 44469, dated June 27, 1950, on Application No. 31113, for a consideration of \$1,000 payable as follows: \$250 to be deposited in escrow upon the signing of this application, and the balance of \$750 to be paid within thirty days of the effective date of the approval by this Commission of the transfer of this certificate. The application shows that L. Noordman proposes to sell the above-described operating authority in order that he may devote his time to other business interests. The purchaser, William P. Wells, doing business as Tank Transport, proposes to acquire five Mack trucks and five Fruehauf trailers. The capacity of a truck and trailer, in train, will be 8,500 gallons. The application further shows that

the purchaser herein has been in the motor transportation business for the past twenty-five years.

Attached to the application is a financial statement of the proposed purchaser and a profit and loss statement of the seller. These exhibits show that the seller has conducted his petroleum irregular route operations at a loss for the year 1951, and further show that the proposed purchaser apparently is financially able to conduct this common carrier operation.

After a full consideration of this matter, we are of the opinion and hereby find that L. Noordman, an individual, should be permitted to transfer the certificate of public convenience and necessity described herein to William P. Wells, an individual, doing business as Tank Transport.

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

ORDER

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 L. Noordman, an individual, after the effective date hereof, may transfer to William P. Wells, an individual, doing business as Tank Transport, the certificate of public convenience and necessity authorizing the transportation of petroleum products as an irregular route common carrier, granted by Decision No. 44469, dated June 27, 1950, on Application No. 31113, and William P. Wells, an individual, doing business as Tank Transport, is hereby authorized to purchase said operative rights and thereafter to operate thereunder, subject to the conditions hereinafter set out.

(2) That William P. Wells, doing business as Tank Transport, should this transfer be effected, shall file in triplicate, and concurrently make 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 the authority herein granted is not to be construed as a finding of the 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 22nd day of July, 1952.

[Signature]
President
Justus J. Casper
Harold P. Kula
Herbert P. Potter
Commissioners