

**ORIGINAL**

Decision No. 48093

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 G. LANDON, doing business as LANDON AND )  
 SON, to sell, and SOUTHERN TANK LINES, )  
 a California corporation, to buy petroleum ) Application No. 33917  
 irregular route common carrier rights )  
 between points and places in the State of )  
 California. )

O P I N I O N

An order is sought herein authorizing Southern Tank Lines to purchase and G. Landon to sell his right to operate as petroleum irregular route carrier of petroleum and petroleum products between all points and places in the State of California, granted pursuant to the provisions of Decision No. 44729, dated August 29, 1950, in Application No. 31176.

Applicant Landon alleges that he proposes to withdraw from transporting bulk petroleum so that he may devote himself to the carriage of dry freight.

The consideration for the sale of said operative right, exclusive of equipment, is the sum of \$1,000, of which \$250 was deposited in escrow upon signing the application, the balance remaining, to be paid within 30 days after the effective date of an order by the Commission approving such sale.

Applicant Southern Tank Lines alleges that it possesses city carrier and petroleum contract carrier permits issued by this Commission; that it, and its predecessor, has been engaged in the transportation of petroleum products since 1946; that it will better serve the shipping public and the public interest by operating as a common carrier. A statement of financial condition as of August 31, 1952, appended to the application, indicates that it has total assets of \$250,712.36, of which \$21,538.30 is represented by cash, \$165,650.03 by accounts receivable and \$53,225.33 by automotive equipment.

We find that the public interest will not be adversely affected by approval of the transfer of the operative right with which we are here concerned. The application will be granted. A public hearing is not necessary.

Southern Tank Lines is 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 to the number of rights which may be given.

O R D E R

An application having been filed and the Commission being of the opinion that the authority requested should be granted,

IT IS ORDERED:

(1) That G. Landon, after the effective date hereof and on or before March 25, 1953, may sell and transfer to Southern Tank Lines, and the latter may purchase the certificate of public convenience and necessity granted to G. Landon by Decision No. 44729, in Application No. 31176, such sale and transfer to be made in the manner set forth in the application.

(2) That, within thirty (30) days after the execution thereof, Southern Tank Lines shall file with the Commission a true copy of the instruments of transfer executed pursuant to the authority herein granted.

(3) That, within ninety (90) days after the effective date hereof, applicants shall file in triplicate, and concurrently make effective, appropriate tariffs on not less than five (5) days' notice to the Commission and the public.

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

Dated at San Francisco, California, this 22<sup>nd</sup> day of December, 1952

R. Z. [Signature]  
PRESIDENT  
Justin F. [Signature]  
Harold P. [Signature]  
[Signature]  
[Signature]  
COMMISSIONERS