

ORIGINAL

Decision No. 50993

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
C. M. Garrison
doing business as
GARRISON TRUCKING CO.

to sell, and
WALKER OIL SALVAGE AND TRUCKING COMPANY,
INC. (A California Corporation)

to buy petroleum irregular route
Common Carrier rights between points
in the State of California.

Application No. 36522

O P I N I O N

In this proceeding C. M. Garrison, doing business as Garrison Trucking Company, seeks authority to transfer his certificate of public convenience and necessity, which authorizes him to operate a service as a petroleum irregular route carrier for the transportation of petroleum and petroleum products in tank trucks and tank trailers between all points and places in the State of California, ⁽¹⁾ and his trucking equipment, to Walker Oil Salvage and Trucking Company, Inc., a California corporation.

A copy of the Articles of Incorporation of Walker Oil Salvage and Trucking Company, Inc. is attached to the application. The purposes for which the corporation was formed include petroleum hauling.

(1) Decision No. 44429, dated June 20, 1950, on Application No. 31240.

The sales agreement, a copy of which is attached to the application and marked Exhibit C, recites that C. M. Garrison, doing business as Garrison Trucking Company, will transfer the operating authority referred to above and its automotive equipment and supplies ⁽²⁾ to Walker Oil Salvage and Trucking Company, Inc., for the sum of \$15,500, \$9,000 of which is payable to the seller on approval by this Commission of the proposed transaction, and the balance of which is payable to the seller on April 15, 1955.

The application sets forth that C. M. Garrison, the seller, proposes to sell his authority and equipment in order that he may devote his time to duties and business interests not involving the for-hire transportation of petroleum and petroleum products in bulk between points in California. The applicants further allege that the seller is not a party to any through or joint rates with any other carrier.

Concerning the proposed purchaser, the application alleges that it was incorporated on June 15, 1954 at which time it acquired the operations of a Frank McKay who had been in the business of transporting bulk liquids between points in the State of California since 1947.

The records of this Commission show that applicant Walker Oil Salvage and Trucking Company, Inc., holds petroleum contract carrier Permit No. 15-4630 and radial highway common carrier Permit No. 15-5825, both issued by this Commission on September 14, 1954, and has filed an application for a city carrier's permit. Walker Oil Salvage and Trucking Company, Inc., states in the application

(2) The personal property is described in Exhibit B attached to the application.

that its petroleum contract carrier permit may be cancelled if the proposed transfer is authorized.

The seller's financial condition as of September 30, 1954, is set forth in Exhibits D and E attached to the application. It appears from Exhibits F and G attached to the application that purchaser possesses the requisite financial resources to take over and operate the service here involved.

We find that the proposed sale is not adverse to the public interest. The application will be granted. A public hearing is not necessary.

The action taken herein shall not be construed to be a finding of value of the property herein authorized to be transferred.

Applicant Walker Oil Salvage and Trucking Company, Inc., 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. 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

Application having been made and the Commission being fully advised in the premises, and having found that the proposed

transfer is not adverse to the public interest,

IT IS ORDERED:

(1) That C. M. Garrison, doing business as Garrison Trucking Co., may sell and transfer to Walker Oil Salvage and Trucking Company, Inc., within sixty days after the effective date hereof, the operative rights and equipment hereinabove described and referred to for the sum of \$15,500.00, \$9,000.00 of which is payable on or before the effective date of this order, and the balance of which is payable on or before April 15, 1955, and Walker Oil Salvage and Trucking Company, Inc., may acquire and operate the same.

(2) That within thirty days after the consummation of the transfer herein authorized, Walker Oil Salvage and Trucking Company, Inc., shall notify the Commission in writing of that fact.

(3) That within sixty days after the effective date hereof and on not less than five days' notice to the Commission and to the public, applicants shall supplement or reissue the tariffs and timetables on file with the Commission naming rates, rules, regulations and schedules governing the common carrier operations here involved to show that C. M. Garrison, doing business as Garrison Trucking Co., has withdrawn or cancelled and Walker Oil Salvage and Trucking Company, Inc., has adopted or established as its own said rates, rules, regulations and schedules.

(4) That on the date the transfer is completed the petroleum contract carrier permit of Walker Oil Salvage and Trucking Company, Inc., shall be cancelled.

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

Dated at San Francisco, California,
this 17th day of January, 1955.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners