

Decision No. 51157**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application)
of ORLIE N. CHESTNUT and KENNETH)
E. McMURRAY, co-partners doing)
business as C. & M. TRANSPORTATION,) Application No. 36642
to sell operating rights and proper-)
ties of a highway common carrier to)
C. & M. TRANSPORTATION, INC.)

O P I N I O N

Applicants Orlie N. Chestnut and Kenneth E. McMurray, copartners doing business as C. & M. Transportation, request authority to transfer operative rights as a petroleum irregular route carrier and certain assets to a recently formed corporation known as C. & M. Transportation, Inc., and the further authority to issue stock.

The operative rights were created by Decision No. ~~44454~~ dated June 27, 1950 in Application No. 31130.

Applicants propose that the total assets of \$43,248.81 be transferred to C. & M. Transportation, Inc., in consideration of its assumption of total copartnership liabilities amounting to \$18,439.51 and the issuance of 1,000 shares of no par value stock.

As justification for the authority sought it is alleged among other things that the proposed transfer would assure continued operations without interruption in the event of death of one of the partners and would result in certain tax benefits.

After consideration, the Commission is of the opinion and so finds that the proposed transfer would not be adverse to the public interest and that the issue of stock is reasonably required by C. & M. Transportation, Inc., for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

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. A public hearing does not appear to be necessary.

O R D E R

Application having been filed and the Commission being informed in the premises,

IT IS HEREBY ORDERED:

(1) That after the effective date hereof and on or before July 30, 1955, Orlie N. Chestnut and Kenneth E. McMurray, copartners doing business as C. & M. Transportation, may sell and transfer to C. & M. Transportation, Inc., the assets and operative rights hereinabove referred to.

(2) That C. & M. Transportation, Inc., in financing the acquisition of said assets and operative rights, may issue 1,000 shares of no par value stock and may assume the payment of outstanding indebtedness as set forth in the preceding opinion.

(3) That on not less than five days' notice to the Commission and to the public, applicants shall supplement or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the common carrier operations here involved to show that Orlie N. Chestnut and Kenneth E. McMurray, copartners doing business as C. & M. Transportation, have withdrawn or canceled, and C. & M. Transportation, Inc., has adopted or established as its own, said rates, rules and regulations. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80.

(4) That C. & M. Transportation, Inc., shall file a report of the issue of said shares of stock as required by General Order No. 24-A.

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

Dated at San Francisco, California, this 8th day of March, 1955.

F. L. Mitchell
President

Justin J. Cassel

Ray L. Huttenrider

Mark Dooly

Commissioners