

ORIGINALDecision No. 51326

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 JACKSON SUPPLY COMPANY, INC., incorporated
 under laws of the State of California,
 for a Certificate of Public Convenience
 and Necessity as a Petroleum Irregular
 Route Carrier to operate a vacuum tank
 truck service within a radius of ninety
 miles from base of operations, with
 emergency service to all areas in the
 State of California being developed or
 explored for oil.

Application No. 36554

J. Albert Jackson, for applicant.
Wayne B. Stephens, for the Commission Staff.-

O P I N I O N

By this application filed December 13, 1954, Jackson Supply Company, Inc., seeks a certificate of public convenience and necessity authorizing the transportation of petroleum and petroleum products as a petroleum irregular route carrier as defined in Section 214 of the Public Utilities Code. The primary territory to be served as proposed includes the territory within a radius of ninety miles around Taft, California, with emergency service to other points.

A public hearing was held before Examiner Rowe on March 16, 1955, in Taft. At this time oral and documentary evidence was adduced and the matter duly submitted for decision. No one appeared in protest.

Applicant has been engaged in the operation of one forty-barrel vacuum tank mounted on skids which can be operated on either of two of the five trucks which applicant owns. This is only a part of applicant's total business. It also has been

acting as a radial highway common carrier under Radial Highway Common Carrier Permit No. 15-4926, transporting freight other than petroleum and petroleum products. In the past it has carefully restricted its movement of petroleum and petroleum products to private roads and has not moved over any public highways.

To adequately serve the oil companies and individuals in connection with drilling operations and the repair of breaks in pipe lines it is found that public convenience and necessity require the proposed operations.

Jackson Supply Company, Inc., has current assets of \$43,781.47 and fixed assets including automotive equipment and real estate aggregating \$19,025.20 and with liabilities of \$15,491.69. Applicant shows a net profit for the seven months ending February 28, 1955, of \$20,091.65. It is found as a fact that this company is financially able to carry on the proposed operation and has adequate experience in this line of work.

Applicant 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 to the number of rights which may be given.

O R D E R

Application therefor having been filed, public hearing having been held thereon, the Commission being fully advised in

the premises and hereby finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to Jackson Supply Company, Inc., a California corporation, authorizing the establishment and operation of service as a petroleum irregular route carrier as defined in Section 214 of the Public Utilities Code, for the transportation of petroleum and petroleum products in vacuum tank trucks or equipment between any and all points and places within a radius of ninety miles from Taft, California, and also to serve customers with places of business located in said ninety miles radius between said points and all other points in California.

(2) That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

- (a) Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty days after the effective date hereof.
- (b) Within sixty days after the effective date hereof and on not less than five days' notice to the Commission and the public, applicant shall establish the service herein authorized, and file in triplicate and concurrently make effective appropriate tariffs naming rates, rules and regulations on an hourly basis.

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

Dated at San Francisco, California, this 15th day of January, 1955.

John E. ...
 President
Justin D. ...
Paul ...
William ...

 COMMISSIONERS