

**ORIGINAL**

Decision No. 51553

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SHELDON OIL COMPANY }  
to Operate a Highway Common Carrier }  
Service. }

Application No. 36131

John D. Gallaher, for applicant. ✓

O P I N I O N

By this application, filed November 15, 1954, Sheldon Oil Company, a California corporation, seeks a certificate of public convenience and necessity authorizing it to transport petroleum and petroleum products as a petroleum irregular route carrier as defined in Section 214 of the Public Utilities Code. The territory sought to be served includes Marin, Contra Costa, Alameda, Stanislaus, Merced, Mariposa, Tuolumne, Alpine Counties and all of California north of said counties.

A public hearing was held in San Francisco before Examiner Rowe on May 17, 1955, at which time evidence was adduced in support of the application and the matter was duly submitted for decision. No one appeared in opposition.

According to the uncontradicted evidence of record, applicant has assets in excess of one million dollars and current liabilities of \$296,590.39. The personnel of the corporation is experienced and efficient in petroleum transportation. The company is possessed of approximately seventy-five pieces of equipment appropriate for this purpose.

Three public witnesses representing large shippers of petroleum and petroleum products testified as to the respective needs of their companies for the proposed service. Applicant's manager of transportation testified that there were many other witnesses who would testify to a similar need on the part of their companies but that in view of the fact that there were no protests to the granting of this application they were not produced at the hearing. He also stated that there were many other shippers of petroleum products desirous of having the proposed service made available to them. The Commission finds that the proposed service is required by public convenience and necessity.

Sheldon Oil Company 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 as above-entitled 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 Sheldon Oil Company, a 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 over the public highways in the State of California, between all points and places in the Counties of Marin, Contra Costa, Alameda, Stanislaus, Merced, Mariposa, Tuolumne, Alpine, and in all counties lying north of said named counties.

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 upon not less than five days' notice to the Commission and the public, applicant shall establish the service herein authorized and shall file in triplicate and concurrently make effective appropriate tariffs.

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

Dated at San Francisco, California, this 7th day of June, 1955:

[Signature]  
President  
[Signature]  
[Signature]  
[Signature]

Commissioners  
Commissioner Rex Hardy, being necessarily absent, did not participate in the disposition of this proceeding.