

Decision No. 51770**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
GEORGE HILLYER, to sell and UTILITY	)	
PETROLEUM CO., a California Corporation,	)	Application No. 37025
to buy, petroleum irregular route	)	
carrier rights between points in the	)	
State of California.	)	

O P I N I O N

Applicant George Hillyer has been operating as a petroleum irregular route carrier between all points in the State under authority of a certificate of public convenience and necessity granted by Decision No. 44468 dated June 27, 1950, in Application No. 31046. By the present application filed June 13, 1955, applicant Hillyer requests authority to sell said certificated rights and applicant Utility Petroleum Co., a California corporation, requests authority to purchase and thereafter operate pursuant to the authority of said certificate.

The purchase price for the operative rights is \$1,800. Applicant Utility Petroleum Co. has submitted a financial statement as of January 31, 1955, showing total assets of \$165,641.03 and total liabilities of \$149,792.86. George Hillyer wishes to sell his rights so that he may devote his time to transporting petroleum in interstate commerce. The purchaser has eleven pieces of appropriate equipment with which to commence operations. It proposes to maintain rates comparable to those on file to which the seller is a party.

Upon reviewing this matter the Commission finds that the proposed transfer will not be adverse to the public interest and

should be authorized. A public hearing is not necessary. The action taken herein shall not be construed as a finding of the value of the rights authorized to be transferred. No equipment or physical property is to be transferred.

Utility Petroleum Co. is hereby placed on 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

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is unnecessary and that the proposed transfer of operative rights is not adverse to the public interest,

IT IS HEREBY ORDERED:

(1) That on or before September 1, 1955, George Hillyer may sell and transfer to Utility Petroleum Co., a corporation, his operative rights, granted by said Decision No. 44468, for a total consideration of \$1,800 cash and said corporation may acquire and thereafter exercise said operative rights.

(2) That within thirty days after the consummation of the transfer herein authorized, said Utility Petroleum Co. shall notify the Commission thereof in writing and within said period shall file

with the Commission a true copy of any bill of sale or other instrument of transfer which may have been executed to effect such transfer.

(3) That on or before September 1, 1955, and on not less than five days' notice to the Commission and the public; Utility Petroleum Co. shall institute service and shall join with George Hillyer in supplementing or amending tariffs on file with the Commission, naming rates, rules, and regulations governing the operations here involved to show that George Hillyer has withdrawn and that Utility Petroleum Co. has adopted comparable rates, rules and regulations.

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

Dated at San Francisco, California, this 2nd day of August, 1955:

[Signature]  
 President

[Signature]

[Signature]

[Signature]  
 Commissioners