

Decision No. 53350

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Roy Seabridge and Marcus M. McCallen, Jr., doing business as ROMAR TANK LINES, to sell and Merrill E. Erskine, doing business as ROMAR TANK LINES, to purchase Certificate of Public Convenience and Necessity authorizing the transportation of Petroleum Products in bulk as an irregular route common carrier.

Application No. 37930

In the Matter of the Application of Merrill E. Erskine, doing business as D & M TANK LINE, to abandon certificated operations covered by Decision No. 51525 (sic) in the event the foregoing transfer be approved.

Merrill E. Erskine for self.

O P I N I O N

A public hearing in the above-entitled matter was held in Los Angeles before Examiner Mark V. Chiesa.

By this application, as amended by applicant's testimony, authority is sought by Roy Seabridge and Marcus M. McCallen, Jr., doing business as Romar Tank Lines (hereinafter referred to as Sellers) to sell and transfer to Merrill E. Erskine (hereinafter referred to as Buyer) their statewide petroleum irregular route certificate of public convenience and necessity created by Decision No. 44399, and operating equipment consisting of five diesel tank trucks, five tank trailers, one pickup truck, and one spare engine, for a total consideration of \$24,000, of which amount \$8,000 has been paid and the balance of \$16,000, plus \$720 sales tax and \$1,783.82 "time price differential" (interest and carrying charges), or a total balance of \$18,503.52, payable in sixteen equal monthly

installments of \$1,156.47 each. The consideration being paid for the certificate is stated to be \$10, and the balance of the purchase price is for the said equipment which was stated to have a value of \$26,000.

By Decision No. 51522 Buyer was authorized to acquire a petroleum irregular route certificate of public convenience and necessity¹ for the transportation of limited petroleum products in the five counties of Los Angeles, Orange, San Diego, Riverside and Imperial, which authority Buyer proposes to surrender upon approval of the sale and transfer as herein requested. The latter is doing business as D & M Tank Line and is engaged in the purchase, sale, and transportation of petroleum and petroleum products. If the authority herein sought is granted he will continue to do business as a petroleum irregular route carrier under the name of Romar Tank Lines, and as a petroleum products broker as D & M Tank Line. His financial condition as of December 31, 1955, shows tangible assets of \$9,978.61 and liabilities of \$5,511.58, or a net worth of \$4,467.03. His daily cash position varies from several hundred dollars to several thousand dollars on account of his oil brokerage business. In addition to assets listed in Exhibit E of the application, applicant testified that he owns, as community property, seven residential income properties of which two are free and clear of any encumbrances, and five are encumbered. He testified that his tangible net worth, including assets that are not a part of the business, is in excess of \$36,000. In 1955 his net profit from the transportation business was \$6,382.34. In addition to the equipment which he is acquiring, applicant operates two trucks with trailers.

¹ Said certificate was created by Decision No. 44826, and subsequently transferred by Decisions Nos. 50246 and 51522.

The Commission having considered the evidence of record, is of the opinion and finds that the proposed sale and transfer is not adverse to the public interest and, therefore, will grant the application. The certificate created by Decision No. 44826 and heretofore transferred to Merrill E. Erskine pursuant to Decision No. 51522 will be cancelled.

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

O R D E R

A public hearing having been held, the Commission being fully advised in the premises and good cause appearing,

IT IS ORDERED:

(1) That Roy Seabridge and Marcus M. McCallen, Jr., doing business as Romar Tank Lines, may sell and transfer on or before sixty days after the effective date of this order, to Merrill E. Erskine, an individual, the petroleum irregular route operating right and the operating equipment referred to in the foregoing opinion, said sale to be made substantially upon the terms and conditions as hereinabove set forth, and Merrill E. Erskine may acquire said operating right and shall continue said transportation service as heretofore authorized by this Commission.

(2) That Merrill E. Erskine, in part payment for the properties herein authorized to be transferred, may incur indebtedness of not exceeding \$18,503.52 payable over a period of more than twelve months, it being the opinion of the Commission that the money, property or labor to be procured or paid for is reasonably required for the purpose specified herein and that the expenditures for said purpose, except the payment of interest and carrying charges, are not, in whole or in part, reasonably chargeable to operating expenses or to income.

(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, effective concurrently with the consummation of such transfer, applicants shall amend tariffs on file with the Commission naming rates, rules and regulations governing the operations involved in the preceding ordering paragraph to show that Roy Seabridge and Marcus M. McCallen, Jr., have withdrawn and Merrill E. Erskine has adopted as his own said rates, rules and regulations, and shall cancel the rates presently maintained by Merrill E. Erskine.

(4) That in the event the authority herein granted is exercised, Merrill E. Erskine shall notify the Commission in writing of the fact within thirty days after the date of transfer.

(5) That upon consummation of the sale and transfer as hereinabove authorized, Decisions Nos. 44826, 50246 and 51522 be, and they hereby are, revoked.

(6) That this order will become effective when applicant Erskine has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 10th day of July, 1956.

[Signature]
President
[Signature]
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Commissioners

