

ORIGINALDecision No. 53358

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 R. H. MORRISON, for a certificate)
 of Public Convenience and Necessity)
 to operate vacuum tank trucks as a)
 petroleum irregular route carrier)
 in the State of California)

Application No. 37895

Phil Jacobson, for applicant.O P I N I O N

By the application herein, filed on April 2, 1956, R. H. Morrison seeks authority as a petroleum irregular route carrier as defined in Section 214 of the Public Utilities Code, to transport petroleum and petroleum products, including drilling fluids, oil for oil well drilling, crude oil, road oil, and well sump waste material, in vacuum- and pump-type tank trucks and trailers, between points and places in the State of California in the counties of Los Angeles, Orange, San Bernardino, Imperial and San Diego. He has, and will use if certificated, the following equipment:

- 1 diesel tractor
- 2 gasoline tractors
- 1 33-barrel tank truck
- 1 55-barrel tank trailer
- 1 104-barrel tank trailer

A public hearing was held in Los Angeles on June 4, 1956, before Examiner Kent C. Rogers. Evidence was presented and the matter was submitted. Prior to the hearing, notice

thereof was mailed to trucking associations, tariff agents, carriers and individuals deemed by this Commission to have an interest in the matter. There were no protests.

The applicant stated that he will become a party to Southwestern Motor Tariff Bureau Local Vacuum and Pump Tank Truck Tariff No. 7, Cal. P.U.C. No. 16. He further stated that he has been hauling all petroleum products, except refined products, to, from and between points in the proposed service area, for about twelve years; that he provides service for many petroleum producers; that such service has been for the general public and is performed partly on highways and partly on private roads on oil leases; that he does not, and will not, operate over regular routes; and that his services have been and will be on call twenty-four hours per day, seven days per week. The applicant further testified that his equipment is free of encumbrance and that he has a net worth of approximately \$86,000 (see Exhibit B).

A representative of The Texas Company, a petroleum producing company, testified that the company uses vacuum trucks for the purpose of servicing wells, cleaning sumps, and transporting crude oil in emergencies; that such equipment is used many times during the drilling of a well; that the company has used applicant's services since 1949; that the applicant provides good service; and that the company desires to be able to continue to use applicant's services in the proposed service area.

Upon the evidence of record herein we find that public convenience and necessity require that applicant establish and operate a service as a petroleum irregular route carrier to the extent set forth in the ensuing order.

R. H. Morrison 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

Application having been made, the Commission being fully advised and having found 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 R. H. Morrison, authorizing the establishment and operation of a 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-type and pump-type tank trucks and tank trailers only, to, from and between all points and places in the Counties of Los Angeles, Orange, San Bernardino, Imperial and San Diego, State of California.

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

following service regulations:

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 99. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 99, may result in a cancellation of the operating authority granted by this decision.
- (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, tariffs and time schedules satisfactory to the Commission.

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

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

[Signature]
President

Justin J. Calmes

Raul L. Gutierrez

[Signature]

R. Kurogi
Commissioners