

ORIGINAL

Decision No. 54213

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Ringsby Truck Lines, Inc.)  
and Northern Transportation Co. to  
transfer the Certificates of Public  
Convenience and Necessity of Northern  
Transportation Co. to Ringsby Truck  
Lines, Inc.

Application No. 38594

OPINION AND ORDER

This is an application for an order of the Commission authorizing Northern Transportation Co. to transfer its operative rights to Ringsby Truck Lines, Inc.

Northern Transportation Co., a California corporation, hereinafter referred to as "Northern", is a for-hire common carrier by motor vehicle in interstate or foreign commerce, under authority granted by the Interstate Commerce Commission, and in intrastate commerce under certificates of public convenience and necessity granted by this Commission in Decision No. 36711 in Application No. 25547 and Decision No. 48891 in Application No. 34433. The operative rights granted by this Commission include service generally between Los Angeles, California, and points within 30 miles of First and Main Streets, Los Angeles, on the one hand, and, on the other, Baker and points in the Death Valley area, and between Death Valley Junction, on the one hand, and, on the other, Stovepipe Wells, California, serving all intermediate points as an enlargement of its authority as contained in Decision No. 36711.

Ringsby Truck Lines, Inc., a Nebraska corporation, hereinafter referred to as "Ringsby", is a for-hire common carrier by motor vehicle in interstate or foreign commerce under certificates granted by the Interstate Commerce Commission and reportedly operates between Los Angeles and San Francisco, California, on the one hand, and, on the other, Chicago, Illinois and St. Louis, Missouri.

The application shows that Ringsby is owner of all the outstanding capital stock of Northern and that it has operated Northern since November 14, 1952. In order to effect economies in bookkeeping costs, it is proposed that the operative rights and other property of Northern be transferred to Ringsby in accordance with the terms of a merger agreement executed by the two companies. Under the terms of the merger agreement, Northern will cease to exist as a corporation and all of its properties will become those of Ringsby. It is reported that no monetary consideration is involved.

From a review of the application, it appears that the proposed transfer will not be adverse to the public interest. The action taken by the Commission on this application shall not be construed to be a finding of the value of the operative rights. The Commission wishes to place Ringsby 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 over a particular route. 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.

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. Northern Transportation Co., after the effective date hereof and on or before June 30, 1957, may transfer to Ringsby Truck Lines, Inc. its operative rights as represented by certificates of public convenience and necessity acquired under authority granted by Decisions Nos. 36711 and 48891.
2. On not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, applicants shall supplement or reissue the tariffs on file with the Commission naming rates, rules and regulations governing the common carrier operations here involved to show that Northern Transportation Co., a corporation, has withdrawn or canceled and Ringsby Truck Lines, Inc. has adopted or established, as its own, said rates, rules and regulations. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80.

3. This order will become effective 20 days after the date hereof.

Dated at San Francisco, California, this 11<sup>th</sup> day of December, 1956.

*John E. B. Schell* President  
*Carl Wetzel*  
*Thomas D. ...*  
*R. ...*  
*E. L. Fox* Commissioners