

ORIGINAL

Decision No. 63851

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Oil Carriers, Inc., a California corporation, to sell and Douglas Oil Co. of California, a California corporation, to buy the certificate of a petroleum irregular route carrier, between all points in the State of California, under Sections 851 and 853 of the Public Utilities Code.

Application No. 41278

In the Matter of the Application of Docal, Inc. (formerly Douglas Oil Co. of California), a California corporation, to sell and Docal Truck Line to buy the certificate of a petroleum irregular route carrier, between all points in the State of California, under Sections 851 and 853 of the Public Utilities Code.

Application No. 44368

Application of Docal Truck Line for authorization to issue and sell shares of stock under Sections 816-830 of the Public Utilities Code.

Application No. 44369

O P I N I O N

By Decision No. 58966 dated September 1, 1959, in Application No. 41278, Douglas Oil Co. of California was authorized to acquire from Oil Carriers, Inc., a certificate of public convenience and necessity to operate as a petroleum irregular route carrier for the transportation of petroleum and petroleum products in tank trucks and tank trailers between all points and places in the State of California.

By Decision No. 63160 in Application No. 41278 the Commission revoked such certificate of public convenience and necessity, being of the opinion that Douglas Oil Co. of California had abandoned petroleum irregular route carrier operations.

The order in said decision provided it could be stayed by Douglas Oil Co. of California filing with the Commission a written response denying the facts upon which the Commission based its opinion as to the abandonment or requesting public hearing.

By letters dated February 2 and February 20, 1962, Douglas Oil Co. of California requested a public hearing and acknowledged that the facts upon which the Commission based its opinion as to the abandonment were essentially correct. Also, this letter recited the reason for the delay by Douglas Oil Co. of California in undertaking operations under this certificate.

It is stated that the operating rights under consideration were intended to be exercised. Various programs in this regard were considered but developments in business generally and in the operations of the company particularly, occurred so that the activation of these rights was deferred from time to time. It was finally decided that it would be preferable to establish a separate corporation for the purpose of exercising the operating rights and to request permission from the Commission to transfer the rights for that purpose.

Due to business and accounting reasons the incorporation of such company was deferred until after the first of the year in 1962. Prior to receipt of the order revoking the certificate this company was incorporated under the name "Docal Truck Line" and an application for permission to transfer the certificate evidencing the operating rights and the application to issue stock were being prepared.

This application of Docal, Inc. (formerly Douglas Oil Co. of California), to sell and Docal Truck Line to buy said

certificate, and the application of Docal Truck Line for authorization to issue and sell shares of stock were filed with the Commission on April 18, 1962.

Docal, Inc. (formerly Douglas Oil Co. of California), on May 1, 1961, sold its business and assets to Douglas Oil Company of California and was subsequently dissolved except for the purpose of winding up its affairs.

Docal Truck Line will be capitalized for \$25,000 in cash and will be a wholly owned subsidiary of Douglas Oil Company of California.

Docal Truck Line proposes to engage in the business of transporting by motor vehicle liquid petroleum products as a common carrier by tank truck over irregular routes between points within the State of California. The necessary equipment and facilities for this purpose will be made available to Docal Truck Line under lease arrangements with Douglas Oil Company of California.

The certificate was purchased by Docal, Inc. (formerly Douglas Oil Co. of California), at a cost of \$500.00 cash on December 31, 1958 and the proposed transfer will be without consideration, other than the consideration received by Docal, Inc. (formerly Douglas Oil Co. of California), upon the sale of its entire business to Douglas Oil Company of California.

Findings and Conclusions

The Commission having considered these matters finds that Decision No. 63160 revoking this certificate of public convenience and necessity should be vacated; that the proposed sale and transfer is not adverse to the public interest; that the application to issue stock should be granted; and that the money, property or labor to be procured or paid for by the issuance

of the stock herein authorized is reasonably required for the purposes specified and that such purposes are not in whole or in part reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

O R D E R

Applications having been filed and the Commission being informed in the premises,

IT IS ORDERED that:

1. Decision No. 63160, dated January 23, 1962, in Application No. 41278, is hereby vacated and set aside.
2. Docal, Inc. (formerly Douglas Oil Co. of California), a corporation, may sell and transfer, on or before sixty days after the effective date of this order, to Docal Truck Line, a corporation, all of its rights, title and interest in and to the certificate of public convenience and necessity referred to in the foregoing opinion, and Docal Truck Line may acquire said rights and property and shall operate a transportation service as heretofore authorized by this Commission by Decision No. 44403, subject to the conditions and restrictions therein set forth.
3. Within thirty days after the consummation of the transfer herein authorized Docal Truck Line shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.
4. Applicants shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the common carrier operations here involved to show that Douglas Oil Co. of California has withdrawn or canceled and Docal Truck

Line has adopted or established, as its own, said rates, rules and regulations. The tariff filings shall be made effective not earlier than thirty days after the effective date of this order, on not less than thirty days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the consummation of the transfer herein authorized. The tariff filings made pursuant to this order shall comply in all respects with the regulation governing the construction and filing of tariffs set forth in the Commission's General Order No. 30.

5. Docal Truck Line, for the purposes set forth in these applications, may issue not to exceed 250 shares of stock at \$100 per share, after the effective date of this order, but on or before December 31, 1962. Docal Truck Line shall file with this Commission a report or reports as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

6. In the event applicants should fail to consummate the transfer authorized by paragraph 2 hereof or make the tariff filings required by paragraph 4 hereof, the order herein authorizing the transfer shall become rescinded and the order revoking operative rights in Decision No. 63160 shall become effective sixty days after the effective date of this order.

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

Dated at San Francisco, California, this 26th day of JUNE 4, 1962.

David W. Keane
President
George L. Brown
Fredrick B. Hallock

Commissioner C. Lyn Fox, being necessarily absent, did not participate in the disposition of this proceeding.