

ORIGINALDecision No. 64231

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 J & G Oilwell Service, a corporation,
 to transfer a Certificate of Public
 Convenience and Necessity as a
 Petroleum Irregular Route Carrier to
 Jack T. Jamar, J & G Oilwell Service,
 sole owner. Decision #50161

Application No. 44629

O P I N I O N

J & G Oilwell Service, a corporation, requests authority to sell and transfer, and Jack T. Jamar requests authority to purchase and acquire, equipment and operating authority as a petroleum irregular route carrier.

The rights were granted by Decision No. 50161, dated June 18, 1954, in Application No. 35277. The sole owners of applicant seller are Martha E. Jamar Hauser and Jack T. Jamar, mother and son. Upon the transfer, Jack T. Jamar will own and operate the business as an individual doing business as J & G Oilwell Service. The transfer includes 12 units of motor equipment as well as tools, machinery and office supplies. The agreed consideration is \$35,000 payable as follows: \$10,000 in cash and the balance in the form of a five-year note, secured by chattel mortgage, bearing interest at 6 percent per annum and payable in equal monthly installments of \$483.34. As of March 31, 1962, the business indicated a net worth in the amount of \$61,470.76.

After consideration the Commission finds that the proposed transfer will not be adverse to the public interest and that the

money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purpose specified herein and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

Jack T. Jamar 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, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled 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 filed and the Commission having determined that the application should be granted,

IT IS ORDERED that:

1. On or before January 15, 1963, J & G Oilwell Service may sell and transfer, and Jack T. Jamar may purchase and acquire, the operative rights and property referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, Jack T. Jamar 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.

3. 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 J & G Oilwell Service has withdrawn or canceled, and Jack T. Jamar has adopted or established as his 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 regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80-A.

4. Jack T. Jamar may issue a note in the amount of \$25,000 under the terms set forth in this application, for the purpose of financing, in part, the acquisition of the operating rights and properties herein authorized to be transferred, and may execute a chattel mortgage to secure the payment of said note.

The authority herein granted to issue a note and execute a chattel mortgage will become effective when Jack T. Jamar has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25. In other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 11th day of SEPTEMBER, 1962.

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

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

George L. Grover
President
E. L. Fox
Fredrick B. Halbach

