

**ORIGINAL**

Decision No. 65123

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of  
 DANNY M. CAMPBELL, an individual,  
 to sell, and  
 CAMPEELL TRUCK, INC., a corporation,  
 to purchase,  
 a petroleum irregular route  
 Certificate of Public Convenience  
 and Necessity between all points  
 in the State of California,  
 pursuant to Sections 851-853 of  
 the California Public Utilities  
 Code.

Application No. 45186  
Filed February 18, 1963

O P I N I O N

This is an application for an order of the Commission (1) authorizing Danny M. Campbell to sell and transfer operative rights and equipment to Campbell Truck, Inc., and (2) authorizing Campbell Truck, Inc., in acquiring said rights and equipment, to assume outstanding indebtedness, and to issue an unsecured 3% ten-year note in the principal amount of \$37,560.86.

By Decision No. 44453, dated June 27, 1950, in Application No. 31089, the Commission granted to Walter Knouse the statewide petroleum irregular route carrier certificate of public convenience and necessity here involved, which has been transferred to Danny M. Campbell pursuant to authority granted by Decision No. 59596, dated February 1, 1960, in Application No. 41765.

Applicants desire the operations to be conducted by a corporate form of organization. The book value of the assets proposed to be transferred is reported in Exhibit A of the application at \$126,381.89, of which \$1,000.00 is assigned to the certificate of public convenience and necessity. The liabilities to be assumed by the corporation are reported at \$63,821.03, of which an amount of \$51,062.72 represents equipment contracts payable. The difference between such assets and liabilities is \$62,560.86, toward which it appears that the corporation has issued \$25,000.00 par value of its common stock pursuant to a permit granted by the Commissioner of Corporations, and now proposes to issue a \$37,560.86 note for the remaining balance.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest; 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.

Campbell Truck, Inc., 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. 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.

The action taken herein shall not be construed to be a finding of the value of the operative rights and assets to be transferred. The authorization herein granted is for the transfer of only the certificate of public convenience and necessity now held by Danny M. Campbell. The transfer of permitted operative rights is a subject of a separate application.

O R D E R

IT IS ORDERED that:

1. On or before June 30, 1963, Danny M. Campbell may sell and transfer, and Campbell Truck, Inc., may purchase and acquire, the certificate of public convenience and necessity acquired by Danny M. Campbell under authorization granted by Decision No. 59596, dated February 1, 1960, in Application No. 41765, together with the assets as set forth in this application.

2. Campbell Truck, Inc., for the purpose of acquiring said certificate and assets, may assume the payment of outstanding indebtedness and may issue an unsecured 3% ten-year note in the principal amount of not to exceed \$37,560.86.

3. Within thirty days after the consummation of the transfer herein authorized, Campbell Truck, Inc., 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. Campbell Truck, Inc., shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the common carrier operations herein to show that it has adopted or established, as its own, said rates, rules and regulations. The tariff filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten 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.

5. Campbell Truck, Inc., shall file with the 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. The authority herein granted to issue a note will become effective when Campbell Truck, Inc., has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$38.00. In other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California,  
this 10th day of March, 1963.

George G. Hoover  
President

Walter W. Ragg

Frederic B. Haliloff

Holloman W. Birrell  
Commissioners

