

ORIGINAL

Decision No. 66150

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
RICH SAND SERVICE COMPANY, a California)
corporation, for an Order of the Public)
Utilities Commission extending its)
present certificates of public conven-)
ience and necessity as a petroleum)
irregular route carrier operating)
pump-type and vacuum-type trucks.)

Application No. 45569

O P I N I O N

Rich Sand Service Company is a petroleum irregular route carrier. By Decision No. 59293, dated November 24, 1959, in Application No. 41590, a predecessor received a certificate for vacuum-type truck operation. By Decision No. 59368, dated December 8, 1959, in Application No. 41591, a predecessor received a certificate for pump-type truck operation. Both certificates authorize service in four counties, namely, Santa Cruz, San Benito, Monterey and San Luis Obispo. By the instant application applicant seeks to have both authorities extended to include Santa Barbara County.

Applicant served copies of the application on all known potential competitors, five in number. These have indicated no intention to protest. If there are any other trucking firms which are interested, they have not made such interest manifest to the Commission in the first ninety days after the filing of this application. Under the circumstances, a public hearing does not appear to be necessary.

Applicant alleges in support of its application that its business is a specialized type of business in connection with oil field operation and consists principally in cleaning oil storage tanks, oil field equipment, oil wells, and sumps on oil fields. The transportation that is performed under the operative rights in question is primarily incidental to such cleaning operations. During the past few years there has been a substantial increase in the need for this type of service in Santa Barbara County, a county which is contiguous to the area now served by applicant.

Applicant alleges on information and belief that there is only one petroleum irregular route carrier certificated to operate pump-type and vacuum-type trucks now regularly operating in Santa Barbara County. A lack of adequate petroleum irregular route carriers performing the service proposed by applicant exists from, to and between the points herein sought to be served.

Applicant is fully capable of affording such a service at all of the proposed points, and would be enabled to render a more complete and effective service to members of the petroleum industry as a result of the service herein contemplated.

The Santa Barbara County oil industry has expanded greatly during the past few years. The pump-type and vacuum-type service of the type herein proposed has not met this need adequately and has not shown a commensurate growth. There is not now enough equipment in the county or readily available thereto to meet the present need, much less the intensified need that would arise in the event of a fire or a salt water flood.

The Commission finds that:

1. A public hearing is not necessary.
2. Applicant has the experience, personnel, equipment and financial resources to operate the service it proposes.
3. Public convenience and necessity require that the application be granted.

The Commission concludes that the application should be granted and that applicant's authority should be restated so as to be all contained in a single certificate.

Applicant 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

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Rich Sand Service Company, a corporation, authorizing it to operate as a petroleum irregular route carrier, as defined in Section 214 of the Public Utilities Code between the points, over the routes, and for the types of service more particularly set forth in Appendix A attached hereto and made a part hereof.

2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

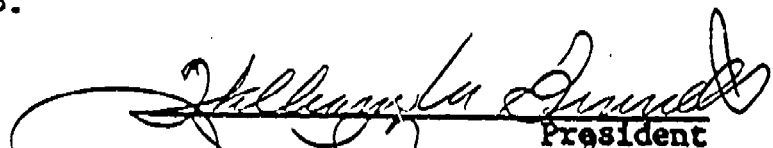
- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 99 and insurance requirements of the Commission's General Order No. 100-B. 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 Orders Nos. 99 and 100-B, may result in a cancellation of the operating authority granted by this decision.
- (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs, in triplicate, in the Commission's office.
- (c) 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 establishment of the service herein authorized.
- (d) The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80-A.

3. The certificate of public convenience and necessity granted in paragraph 1 of this order supersedes the certificates of public convenience and necessity granted by Decisions Nos. 50497 and 59368 and various transfers of which rights or of portions thereof have

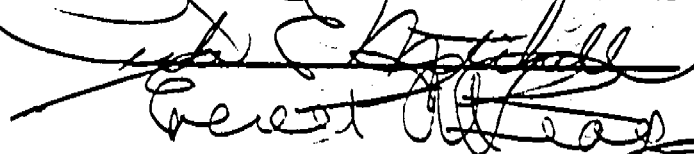
been made under authority of Decisions Nos. 51551, 59293 and 65050, which certificates are hereby revoked, said revocation to become effective concurrently with the effective date of the tariff filings required by paragraph 2(b) hereof.

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

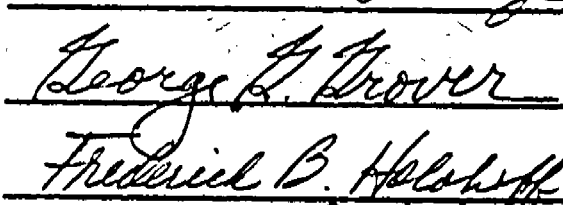
Dated at San Francisco, California, this 15th day of OCTOBER, 1963.



President



George H. Trover



Frederick B. Helms
Commissioners

Rich Sand Service Company, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport petroleum products in bulk in tank trucks or tank trailers equipped with vacuum-type or pump-type equipment as follows:

(a) Between all points and places in the Counties of Santa Cruz, San Benito, Monterey, San Luis Obispo and Santa Barbara.

(b) Between points in said five counties and other points in California when said service either originates in or is destined to said counties and is performed for customers of applicant located in said counties.

End of Appendix A

Issued by California Public Utilities Commission.

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