

ORIGINAL

Decision No. 68220

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:

(a) Nickols Transportation Co., Inc., a corporation, to purchase, and of Henry J. Nickols, an individual doing business as Nickols Transportation Co., to sell and transfer his intrastate operating rights for the water transportation of general commodities between points of San Francisco Bay and its tributaries, except the city of Sacramento, pursuant to Section 851-853 of the California Public Utilities Code.

(b) Nickols Transportation Co., Inc., a corporation, to issue shares of its common capital stock, pursuant to Section 816-830 of the California Public Utilities Code.

Application No. 47047  
Filed October 16, 1964

O P I N I O N

This is an application for an order of the Commission (1) authorizing Henry J. Nickols, doing business as Nickols Transportation Co., to sell and transfer operating rights, and other assets relating to his carrier by water operations, to Nickols Transportation Co., Inc., and (2) authorizing the latter, in acquiring said rights and other assets, to issue \$18,500 par of its common capital stock.

Henry J. Nickols, doing business as Nickols Transportation Co., presently is engaged in the business of transporting freight by water on San Francisco Bay and its tributaries, except the City

of Sacramento, under authority acquired pursuant to Decision No. 40761, dated September 30, 1947, as amended by Decision No. 41086, dated December 29, 1947, in Application No. 28662. For the first eight months of 1964 he reports operating revenues and net income amounting to \$10,728.25 and \$1,340.64, respectively. Total assets as of August 31, 1964, after deducting \$33,199.43 for reserve for accrued depreciation, amount to \$20,650.43, which amount is offset by \$833.34 of accounts payable and \$19,817.09 net worth. No value is assigned to the operating rights.

Nickols Transportation Co., Inc. is a California corporation organized on or about September 17, 1964. It proposes to issue \$18,500 par value of its common capital stock in exchange for the assets of Henry J. Nickols, doing business as Nickols Transportation Co., at their book values, subject to current liabilities.

The application shows that there will be no change in rates, management, personnel, or equipment available to the public as a result of the change in organization from that of a single proprietorship to a corporation.

The Commission has considered this matter and finds that: (1) the proposed sale and transfer would not be adverse to the public interest; (2) the proposed stock issue is for a proper purpose; (3) the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein; and (4) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. The action taken herein shall not be construed to be a finding of the value of the operating rights and other assets to be transferred.

O R D E R

IT IS ORDERED that:

1. On or before January 31, 1965, Henry J. Nickols, doing business as Nickols Transportation Co., may sell and transfer, and Nickols Transportation Co., Inc. may purchase and acquire, the operating rights and other assets referred to in the application.
2. Nickols Transportation Co., Inc., for the purpose of acquiring the assets described in this proceeding, may issue not to exceed \$18,500 par value of its common capital stock at not less than par.
3. Within thirty days after the consummation of the transfer herein authorized, Nickols Transportation Co., 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. Nickols Transportation Co., Inc. shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the common carrier operations herein to show

that it has adopted or established, as its own, said rates and rules. The tariff filings shall be made effective not earlier than ten days after the 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. 117.

5. On or before the end of the third month after the consummation of the transfer as herein authorized, Nickols Transportation Co., Inc. shall cause to be filed with the Commission in such form as it may prescribe an annual report, or reports, covering the period commencing with the first day of the current year to and including the effective date of the transfer.

6. Nickols Transportation Co., Inc. shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

7. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 17<sup>th</sup>  
day of NOVEMBER, 1964.

Frederic B. Hoteloff  
President  
George H. Trover  
William A. Bennett  
Commissioners