

ORIGINAL

Decision No. 69927

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of GWENDOLYN A. MORASCA, an Individual, doing business as L.A. MORASCA TRUCKING SERVICE, to Sell, and CENTRAL COAST TRUCK SERVICE, INC., a Corporation, to Buy, a highway common carrier certificate.

Application No. 47853
(Filed August 27, 1965)

O P I N I O N

Applicant Gwendolyn A. Morasca holds a certificate as a highway common carrier to transport fresh fruit and mushrooms between the Watsonville, Castroville and Salinas areas, on the one hand, and San Francisco and Oakland, on the other hand. Applicant Central Coast Truck Service, Inc. (Central Coast) is a permitted carrier of similar commodities in insulated vans, equipped with temperature control devices, plus some general commodities, in the same general area.

Applicant Morasca proposes to sell to Central Coast the whole business, including the certificate, good will and property, for \$65,000, with \$19,403.21 down and the rest spread over thirty-four months from July 1, 1965 with monthly payments of \$1,410.66. The agreement attached to the application calls for a conditional sale, except that the transfer of the certificate will be unconditional. Since the conditional sale includes transportation equipment only, Commission approval is not required. (Section 816.5, Public Utilities Code.)

Since the Morasca right is now stated in appendix form, a restatement is not necessary. However, inasmuch as an alter

ego restriction is contained in the permitted operative rights of Central Coast, such restriction should be included in the following order.

The Commission finds that the proposed transfer would not be adverse to the public interest.

The Commission concludes that the application should be granted.

Central Coast Truck Service, Inc. is placed on notice that the operative rights it is acquiring were issued and continue to be subject to the following:

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 cancelled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

The authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred.

A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. On or before July 1, 1966, Gwendolyn A. Morasca may sell and transfer, and Central Coast Truck Service, Inc., a corporation, may purchase and acquire, the operative rights referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, Central Coast Truck Service, 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.

3. Central Coast Truck Service, 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 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. On or before the end of the third month after the consummation of the transfer as herein authorized, Central Coast Truck Service, Inc. shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current fiscal year to and including the effective date of the transfer.

5. Whenever Central Coast Truck Service, Inc. engages other carriers for the transportation of property of California Produce Brokerage Co. or customers or suppliers of said company,

Central Coast Truck Service, Inc. shall not pay such other carriers rates and charges less than the rates and charges published in the Central Coast Truck Service, Inc. tariffs on file with this Commission.

6. Concurrently with the effective date of the tariff filings required by ordering paragraph 3 hereof, the Secretary of the Commission is directed to amend Radial Highway Common Carrier Permit No. 44-1424 and Highway Contract Carrier Permit No. 44-1430 so that the following territorial restriction will be contained therein:

"All points in California except points between which Central Coast Truck Service, Inc. is authorized to operate as a highway common carrier."

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

Dated at San Francisco, California, this 9th day of NOVEMBER, 1965.

Frederick B. Hallock
President
George A. Trover
Secretary
William M. Bennett
Commissioners