

Decision No. 71127**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 C & M TRUCK LINES, INC., a California
 corporation, to sell and transfer
 and of KINGS COUNTY TRUCK LINES, a
 California corporation, to purchase
 and acquire the operative rights of
 C & M TRUCK LINES, INC., conducted
 under and pursuant to Decision
 No. 68367, dated 22 December 1964,
 in Application No. 47106.

Application No. 48465
 (Filed May 12, 1966)

O P I N I O N

C & M Truck Lines, Inc. desires to transfer, and Kings County Truck Lines desires to acquire, a certificate of public convenience and necessity issued by the Commission by Decision No. 68367, dated December 22, 1964, in Application No. 47106, authorizing operations as a highway common carrier as defined in Section 213 of the Public Utilities Code.

The officers and directors of C & M and of Kings County are the same persons and approximately ninety-six percent of the capital stock of Kings County is owned by the same interests that own all of the capital stock of C & M. The agreement of sale, a copy of which is attached to the application, provides that the purchase price will be one dollar.

Kings County has been engaged in the transportation of property for many years pursuant to authority granted by the Commission. The application states that the reason it desires to acquire its wholly owned affiliate is to realize some savings

in operating expenses. The agreement does not call for the transfer of any physical properties.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary. The order which follows will provide that, in the event the transfer is consummated, the certificate presently held by C & M Truck Lines, Inc. shall be revoked and that a certificate in appendix form shall be issued to Kings County Truck Lines.

Kings County Truck Lines 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.

The authorization herein granted shall not be construed as a finding of the value of the operative right herein authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. On or before July 1, 1967, C & M Truck Lines, Inc. may sell and transfer, and Kings County Truck Lines may purchase and acquire, the operative right referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, Kings County Truck Lines 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. Kings County Truck Lines 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 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, Kings County Truck Lines 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 year to and including the effective date of the transfer.

5. In the event the transfer authorized in paragraph 1 hereof is consummated, a certificate of public convenience and necessity is granted to Kings County Truck Lines, a corporation,

authorizing it to operate as a highway common carrier, as defined in Section 213 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendices A and B attached hereto and made a part hereof.

6. The certificate of public convenience and necessity granted in paragraph 5 of this order shall supersede the certificate of public convenience and necessity acquired by Decision No. 68367 which certificate shall be revoked effective concurrently with the effective date of the tariff filings required by paragraph 3 hereof.

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

- (a) Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol and the insurance requirements of the Commission's General Order No. 100-D. Failure to comply with and observe the safety rules, or the provisions of General Order No. 100-D, may result in a cancellation of the operating authority granted by this decision.
- (b) Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission from time to time shall prescribe.

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

Dated at San Francisco, California, this 16th day of AUGUST, 1966.

[Signature]
President

[Signature]

[Signature]
Commissioners

Commissioner Frederick B. Holoboff, being necessarily absent, did not participate in the disposition of this proceeding.

Kings County Truck Lines, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport (See Restriction):

- (a) Frozen foodstuffs and beverages;
- (b) Any food product requiring refrigeration all or part of the year when transported with a simultaneous shipment of frozen foodstuffs in category (a) above, from the same consignor at same point of origin to the same consignee at same destination;
- (c) Dry ice;

Between San Francisco, South San Francisco, Richmond, El Cerrito, Albany, Oakland, Alameda, Emeryville, Berkeley, Piedmont, San Leandro, Hayward (hereinafter called San Francisco Bay cities), Yuba City, Sacramento, Lodi, Stockton, Tracy, Manteca, Patterson, Modesto, Turlock, Merced, Fresno, Sanger, Bakersfield, points and places in Los Angeles Territory (as described in Appendix "B") Brea, La Habra, Pomona, El Monte, Santa Ana, Oxnard, Ventura, Santa Barbara, San Luis Obispo, Paso Robles, King City, Salinas, Watsonville, Gilroy, San Martin, Santa Clara, San Jose, Sunnyvale, Mt. View and Redwood City.

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Applicant shall conduct operations over and along the following routes or any convenient combination thereof:

- (1) All streets and highways between San Francisco Bay cities;
- (2) U.S. Highway 40 between Oakland and Roseville;
- (3) U.S. Highway 99E between Roseville and Marysville;
- (4) State Highway 20 between Marysville and Yuba City;
- (5) State Highway 24 between Yuba City and Woodland;
- (6) U.S. Highway 99-W between Woodland and its junction with U.S. Highway 40;
- (7) U.S. Highway 50 between Oakland and Stockton;
- (8) State Highway 120 between its junction with U.S. Highway 50 and Manteca;
- (9) State Highway 33 between Tracy and its junction with State Highway 152;
- (10) State Highway 132 between Vernalis and Modesto;
- (11) Unnumbered county road between Patterson and Turlock;
- (12) State Highway 140 between Gustine and Merced;
- (13) State Highway 152 between Watsonville and Califa;
- (14) Unnumbered county road between Watsonville and its junction with U.S. Highway 101, 3 miles south of Sargent;
- (15) U.S. Highway 99 between Sacramento and Los Angeles Territory;
- (16) State Highway 17 between Oakland and San Jose;
- (17) U.S. Highway 101, 101 By-Pass and 101 Alternate between San Francisco and Los Angeles Territory;
- (18) All streets and highways between points and places in Los Angeles Territory;
- (19) Any direct route or routes between points in Los Angeles Territory, on the one hand, and, on the other hand, Brea, La Habra, Pomona, El Monte and Santa Ana;
- (20) State Highway 180 and unnumbered county roads to and from Sanger.

RESTRICTION:

- (a) The line-haul (intercity) transportation of all authorized commodities shall be performed in insulated equipment under refrigeration.
- (b) No transportation is authorized of smoked, cooked, cured or preserved meat.

End of Appendix A

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APPENDIX B TO DECISION NO. 71127

Los Angeles Territory includes that area embraced by the following boundary: Beginning at the intersection of Sunset Boulevard and U.S. Highway No. 101, Alternate; thence northeasterly along Sunset Boulevard to State Highway No. 7; northerly along State Highway No. 7 to State Highway No. 118; northeasterly along State Highway No. 118 through and including the City of San Fernando; continuing northeasterly and southeasterly along State Highway No. 118 to and including the City of Pasadena; easterly along U.S. Highway No. 66 to State Highway No. 19; southerly along State Highway No. 19 to its intersection with U.S. Highway No. 101, Alternate, at Ximeno Street; southerly along Ximeno Street and its prolongation to the Pacific Ocean; westerly and northerly along the shore line of the Pacific Ocean to a point directly south of the intersection of Sunset Boulevard and U.S. Highway No. 101, Alternate; thence northerly along an imaginary line to point of beginning.