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Decision No. 73969

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CARL WATTS CEMENT CONTRACTORS, INC.,)
a California corporation, and)
RAYMOND E. SKAGGS, an individual,)
for transfer of cement carrier)
certificate of public convenience)
and necessity.)

Application No. 50009
(Filed February 9, 1968)

O P I N I O N

Carl Watts Cement Contractors, Inc. requests authority to sell and transfer and Raymond E. Skaggs requests authority to purchase and acquire certain property and a certificate of public convenience and necessity authorizing operations as a cement carrier.

The certificate was granted by Decision No. 70085, dated December 14, 1965, in Application No. 47983, and authorizes operations to and within the Counties of Sacramento, San Joaquin, Solano and Yolo from any and all points of origin. Included in the transfer are two cement hoppers valued at \$1,655.

The agreed consideration for the hoppers and certificate is \$6,000, to be paid \$2,500 in cash and the balance to be secured by a promissory note payable in thirty equal monthly installments plus interest at 7 percent per annum on the unpaid balance. As of December 31, 1967, applicant buyer indicated a net worth in the amount of \$18,947.

After consideration, the Commission finds that the proposed sale would not be adverse to the public interest and that the money, property or labor to be procured or paid for by the issue of the indebtedness herein authorized is reasonably required for the purposes specified herein, and such purposes are not, in whole or in part,

reasonably chargeable to operating expenses or to income. A public hearing is not necessary. The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by Carl Watts Cement Contractors, Inc. and the issuance of a certificate in appendix form to Raymond E. Skaggs.

Raymond E. Skaggs 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 rights and properties herein authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. On or before December 1, 1968, Carl Watts Cement Contractors, Inc. may sell and transfer and Raymond E. Skaggs may purchase and acquire the operative rights and property referred to in the application.
2. Within thirty days after the consummation of the transfer herein authorized, Raymond E. Skaggs shall notify the Commission, in writing, of that fact and within said period shall file with the

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Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

3. Raymond E. Skaggs shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the common carrier operations herein to show that he has adopted or established, as his 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. 117. Failure to comply with and observe the provisions of General Order No. 117 may result in a cancellation of the operating authority granted by this decision.

4. On or before the end of the third month after the consummation of the transfer as herein authorized, Raymond E. Skaggs 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. Applicants are hereby authorized to execute a promissory note in the amount of \$3,500. The authority herein granted to issue a note will become effective when applicants have paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

6. In the event the transfer authorized in paragraph 1 hereof is consummated, a certificate of public convenience and necessity is granted to Raymond E. Skaggs authorizing him to operate as a cement carrier, as defined in Section 214.1 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendix A attached hereto and made a part hereof.

7. The certificate of public convenience and necessity granted in paragraph 6 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 70085, dated December 14, 1965, in Application No. 47983, which certificate is revoked concurrently with the effective date of the tariff filings required by paragraph 3 hereof.

8. In providing service pursuant to the certificate herein granted, Raymond E. Skaggs shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- (a) Within thirty days after the effective date hereof, Raymond E. Skaggs shall file a written acceptance of the certificate herein granted. Raymond E. Skaggs is placed on notice that, if he accepts the certificate of public convenience and necessity herein granted, he 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.
- (b) Raymond E. Skaggs shall maintain his 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 his operations in such form, content, and number of copies as the Commission from time to time, shall prescribe.

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Except as otherwise provided in paragraph 5 hereof,
the effective date of this order shall be twenty days after the
date hereof.

Dated at San Francisco, California, this 9th
day of APRIL, 1968.

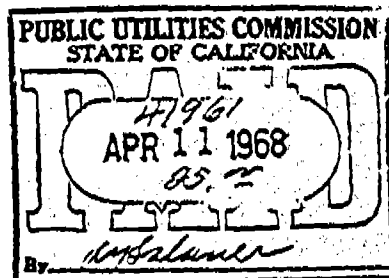
Arthur E. Mitchell
President

William B. Bernard

Augustine

William J. Lyons, Jr.

Jack P. Monsey
Commissioners



Raymond E. Skaggs, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate as a cement carrier to and within the Counties of Sacramento, San Joaquin, Solano and Yolo from any and all points of origin.

End of Appendix A

Issued by California Public Utilities Commission.

Decision No. 73969, Application No. 50009.