

ORIGINAL

Decision No. 74626

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
)	
(a) RAY SHARP, dba RAY SHARP)	
BUILDING MATERIALS, to transfer)	Application No. 50469
his cement carrier certificate;)	Filed August 12, 1968
and (b) RAY SHARP TRANSPORTATION,)	
INC., a California corporation, to)	
acquire cement carrier certificate)	
and to issue stock. (Public)	
Utilities Code Sec. 816-830, and)	
Section 851 et seq.))	

O P I N I O N

This is an application for an order of the Commission authorizing Ray E. Sharp, doing business as Ray Sharp Building Materials, to transfer his cement carrier certificate of public convenience and necessity to Ray Sharp Transportation, Inc., and authorizing the latter to issue and sell 500 shares of its \$10 par value common capital stock.

By Resolution No. 13823, Sub. No. 33, dated June 23, 1964, in Application No. 46434, the Commission granted Ray E. Sharp a certificate of public convenience and necessity to operate as a cement carrier to and within the Counties of Inyo, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara and Ventura from any and all points of origin. In the

present proceeding Ray E. Sharp proposes to transfer said certificate to Ray Sharp Transportation, Inc., a California corporation organized on or about June 21, 1968.

The corporation proposes to issue 500 shares of its common capital stock to Ray E. Sharp for the total sum of \$5,000 cash to be used for making deposits and/or down payments on a lease or leases with option to acquire equipment, and for working capital. No value will be assigned to the certificate of public convenience and necessity.

The application shows that Ray E. Sharp will continue as an officer, and will be the sole shareholder, of the corporation, which is in a position to hire drivers and others experienced in the transportation of cement within the State of California.

After consideration the Commission finds that: (1) the proposed transfer will not be adverse to the public interest; (2) the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the application should be granted. 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 Ray E. Sharp, doing business as Ray Sharp Building Materials, and the issuance of a certificate in appendix form to Ray Sharp Transportation, Inc.

Ray Sharp Transportation, Inc. 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, these rights extend to the holder a full or partial monopoly of a class of business. 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 corporate applicant is further placed on notice that in the event it employs independent-contractor subhaulers or operates leased equipment, it must first have a surety bond on file with the Commission in the amount and as prescribed by General Order No. 102 series.

O R D E R

IT IS ORDERED that:

1. On or after the date hereof and on or before October 31, 1968, Ray E. Sharp, doing business as Ray Sharp Building Materials, may transfer, and Ray Sharp Transportation, Inc. may

acquire, the cement carrier certificate of public convenience and necessity referred to in this proceeding.

2. Ray Sharp Transportation, Inc., on or after the date hereof and on or before October 31, 1968, for the purposes specified herein, may issue and sell, at par for cash, not exceeding 500 shares of its \$10 par value common capital stock.

3. Ray Sharp Transportation, 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.

4. Within thirty days after the consummation of the transfer herein authorized, Ray Sharp Transportation, 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.

5. Ray Sharp Transportation, Inc. shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the cement 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. 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.

6. In the event the transfer authorized in Ordering Paragraph No. 1 hereof is consummated, a certificate of public convenience and necessity is granted to Ray Sharp Transportation, Inc. authorizing it to operate as a cement carrier, as defined in Section 214.1 of the Public Utilities Code, between the points particularly set forth in Appendix A attached hereto and made a part hereof.

7. The certificate of public convenience and necessity granted in Ordering Paragraph No. 6 of this order shall supersede the certificate of public convenience and necessity granted by Resolution No. 13823, Sub. No. 33, dated June 23, 1964, in Application No. 46434, which certificate is revoked effective concurrently with the effective date of the tariff filings required by Ordering Paragraph No. 5 hereof.

8. In providing service pursuant to the certificate herein granted, Ray Sharp Transportation, Inc. 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 date hereof Ray Sharp Transportation, Inc. shall file a written acceptance of the certificate herein granted. Ray Sharp Transportation, Inc. 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 insurance requirements of the Commission's General Order No. 100 series.

- (b) Ray Sharp Transportation, Inc. 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.

9. Ray Sharp Transportation, Inc. is hereby placed on notice that if the certificate of public convenience and necessity to operate as a cement carrier, granted by Ordering

Paragraph No. 6 hereof, is not exercised for a period of one year it shall lapse and terminate.

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

Dated at San Francisco, California,
this 4th day of SEPTEMBER, 1968.

William Snow, Jr.
President

Edward L. Mitchell

William L. Brown

Fred P. Monnesey
Commissioners

Ray Sharp Transportation, Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate as a cement carrier from any and all points of origin to all points and places within the Counties of Inyo, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara and Ventura.

(End of Appendix A)

Issued by California Public Utilities Commission.

Decision No. 74626, Application No. 50469.