

ORIGINAL

Decision No. 74777

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:

(a) KERN VALLEY TRUCKING, a corporation, to purchase, and of JAMES L. CHASE, an individual doing business as KERN VALLEY TRANSFER, to sell, a certificate of public convenience and necessity for the transportation of general commodities, as a highway common carrier, between the Los Angeles Territory and Sacramento, including various intermediate and off-route points, pursuant to Sections 851-853 of the California Public Utilities Code.

Application No. 50534
Filed September 10, 1968

(b) KERN VALLEY TRUCKING, a corporation, to issue shares of its common capital stock, pursuant to Sections 816-830 of the California Public Utilities Code.

O P I N I O N

This is an application for an order of the Commission (1) authorizing James L. Chase, doing business as Kern Valley Transfer, to sell and transfer his highway common carrier certificate of public convenience and necessity, together with certain related assets, to Kern Valley Trucking, a corporation, and (2) authorizing the latter, in acquiring said assets, to assume liabilities and to issue 1,750 shares of its \$100 par value capital stock.

James L. Chase conducts business as a highway common carrier transporting general commodities between various points and places in California pursuant to the certificate of public

convenience and necessity granted by Decision No. 70059, dated December 7, 1965, in Application No. 47134, which supersedes the certificate granted by Decision No. 61846, as amended by Decisions Nos. 62024, 62858, 63300, 63498 and 63512.

In the present application James L. Chase requests authority to sell and transfer his highway common carrier certificate of public convenience and necessity and certain related assets to Kern Valley Trucking, a California corporation organized on or about August 8, 1968. The corporation proposes to acquire said assets, subject to certain liabilities, in exchange for 1,750 shares of its \$100 par value capital stock. No value is assigned to the certificate of public convenience and necessity or other intangibles.

A pro forma balance sheet of the corporation as of June 30, 1968, giving effect to the proposed transactions, is attached to the application as Exhibit B, and is summarized as follows:

<u>Assets</u>	
Current assets	\$184,587
Fixed assets - net	240,426
Other assets	<u>5,774</u>
Total	<u>\$430,787</u>
<u>Liabilities</u>	
Current liabilities	\$192,918
Long-term liabilities	62,869
Capital stock	<u>175,000</u>
Total	<u>\$430,787</u>

After consideration the Commission finds that: (1) the proposed transactions 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 purpose specified herein; and (3) such purpose is 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 action taken herein shall not be construed as a finding of the value of the operative rights and other assets to be transferred. So far as the rights are concerned, the authorization herein granted is for the transfer of the intrastate highway common carrier certificate of public convenience and necessity only. Any transfer of permitted operative rights must be the subject of a separate application or applications.

O R D E R

IT IS ORDERED that:

1. On or after the date hereof and on or before December 31, 1968, James L. Chase, doing business as Kern Valley Transfer, may sell and transfer, and Kern Valley Trucking, a corporation, may purchase and acquire, the highway common carrier certificate of public convenience and necessity and other assets referred to in the application.

2. Kern Valley Trucking, on or after the date hereof and on or before December 31, 1968, for the purpose specified in this proceeding, may assume liabilities and may issue not exceeding 1,750 shares of its \$100 par value capital stock.

3. Kern Valley Trucking 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, Kern Valley Trucking 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. Kern Valley Trucking shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the highway 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. 80-A. Failure to comply with and observe the provisions of General Order No. 80-A may result in a cancellation of the operating authority acquired pursuant to this decision.

6. On or before the end of the third month after the consummation of the transfer herein authorized, Kern Valley Trucking 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.

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

Dated at Los Angeles, California,
this 8th day of OCTOBER, 1968.

William J. Jones, Jr.
President
John E. [unclear]
William W. Bernard
[unclear]
James P. Monahan
Commissioners