

ORIGINAL

Decision No. 78760

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In The Matter of the Application)
of JACK T. JAMAR d/b/a J & G)
Oilwell Service to Transfer all)
of the Business Assets of J & G)
Oilwell Service, including a)
Certificate of Public Convenience)
and Necessity as a Petroleum)
Irregular Route Carrier, to)
ECOLOGY CONTROL, INC., a)
California corporation, and of)
ECOLOGY CONTROL, INC. to issue)
stock to CALIFORNIA PRODUCTION)
SERVICE, INC., a California)
corporation)

Application No. 52614
Filed May 13, 1971

O P I N I O N

Jack T. Jamar, doing business as J & G Oilwell Service, seeks an order of the Commission authorizing him to transfer his petroleum irregular route carrier certificate of public convenience and necessity and related assets to Ecology Control, Inc., and the latter seeks authority to issue 100,000 shares of its \$1 par value common stock.

The transferor operates as a petroleum irregular route carrier in a portion of southern California under the certificate of public convenience and necessity acquired pursuant to authority granted by Decision No. 64231, dated September 11, 1962, in Application No. 44629. For the year 1970 he reports revenues from carrier and noncarrier operations amounting to \$26,049 and \$470,117, respectively.

Ecology Control, Inc. is a California corporation incorporated on or about March 26, 1971. The company proposes to acquire assets of said Jack T. Jamar, including the petroleum irregular route carrier certificate of public convenience and necessity, and to issue 100,000 shares of its \$1 par value common stock in connection with the transaction. A pro forma balance sheet of the corporation, giving effect to the proposed acquisition and stock issue, is summarized from Exhibit E, attached to the application, as follows:

<u>Assets</u>	
Current assets	\$ 9,000
Equipment	110,000
Other assets	<u>36,000</u>
Total	<u>\$155,000</u>
<u>Equity</u>	
Capital stock	\$100,000
Capital surplus	<u>55,000</u>
Total	<u>\$155,000</u>

After consideration the Commission finds that:

1. The proposed stock issue is for a proper purpose.
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, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.
3. The proposed transfer would not be adverse to the public interest.

On the basis of the foregoing 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 properties to be transferred.

The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by Jack T. Jamar and the issuance of a certificate in appendix form to Ecology Control, Inc.

Ecology Control, 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.

O R D E R

IT IS ORDERED that:

1. On or after the effective date hereof and on or before September 30, 1971, Jack T. Jamar may transfer to Ecology Control, Inc. the petroleum irregular route carrier certificate of public convenience and necessity and other assets referred to in the application.

2. Ecology Control, Inc., in acquiring said certificate and assets may issue not exceeding 100,000 shares of its \$1 par value common stock.

3. Ecology Control, Inc. shall file with the Commission a report 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, Ecology Control, 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. Ecology Control, Inc. shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the petroleum irregular route 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 five days after the effective date of this order on not less than five 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 granted by this decision.

6. On or before the end of the third month after the consummation of the transfer as herein authorized, Ecology Control, Inc. shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report related to the operations of Jack T. Jamar for the period commencing with the first day of the current year to and including the effective date of the transfer.

7. In the event the transfer authorized in Paragraph No. 1 hereof is consummated, a certificate of public convenience and necessity is granted to Ecology Control, Inc. authorizing it to operate as a petroleum irregular route carrier, as defined in Section 214 of the Public Utilities Code, between the points particularly set forth in Appendix A attached hereto and made a part hereof.

8. The certificate of public convenience and necessity granted in Paragraph No. 7 of this order shall supersede the certificate of public convenience and necessity acquired by Jack T. Jamar pursuant to authority granted by Decision No. 64231, dated September 11, 1962, in Application No. 44629, which certificate is revoked effective concurrently with the effective date of the tariff filings required by Paragraph No. 5 hereof.

9. Within thirty days after the transfer herein authorized is consummated, Ecology Control, Inc. shall file a written acceptance of the certificate herein granted. Ecology Control, Inc. is placed on notice that, if it accepts the certificate of public convenience and necessity herein

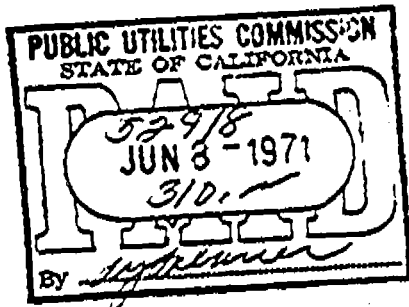
granted, it will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol and the insurance requirements of the Commission's General Order No. 100-F.

10. Ecology Control, 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.

11. Ecology Control, Inc. shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If Ecology Control, Inc. elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

12. This order shall become effective when Ecology Control, Inc. has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$310.

Dated at San Diego, California, this 2nd day of JUNE, 1971.



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Chairman
[Handwritten signature]
[Handwritten signature]
Commissioners

Ecology Control, Inc., a California corporation, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to conduct operations as a petroleum irregular route carrier, as defined in Section 214 of the Public Utilities Code, for the transportation of petroleum and petroleum products in vacuum-type tank trucks and tank trailers only, and in connection with and incidental to drilling, maintenance or reconditioning of oil wells, or repair of pipeline breaks, between all points and places in Ventura and Santa Barbara Counties within a radius of 90 air-line miles of the city limits of the City of Ventura, including the City of Venuura, and including points and places in Los Angeles County within 10 air-line miles from the easterly or southerly borders of Ventura County, subject to the following restriction:

This certificate of public convenience and necessity is issued subject to obtaining and maintaining a valid registration certificate as a liquid waste hauler from the State Water Resources Control Board.

END OF APPENDIX A

Issued by California Public Utilities Commission.

Decision No. 78750, Application No. 52614.