

ORIGINAL

Decision No. 79184

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of)
JOSEPH PURITZ and SAMUEL PURITZ)
(B. PURITZ OIL CO.))
for Transfer of Petroleum)
Irregular Route Carrier Permit.)

Application No. 52831
Filed August 30, 1971

O P I N I O N

Joseph Puritz and Samuel Puritz, doing business as B. Puritz Oil Co., seek an order of the Commission authorizing them to transfer to Joseph Puritz their petroleum irregular route carrier certificate of public convenience and necessity together with related public utility assets, and the latter seeks authority to assume outstanding long-term indebtedness and to issue a note in the principal amount of not exceeding \$64,960.77.

Pursuant to authority granted by Decision No. 60254, dated June 14, 1960, in Application No. 42037, Joseph Puritz and Samuel Puritz acquired a certificate of public convenience and necessity authorizing them to operate as a petroleum irregular route carrier in 37 counties within the State of California. In accordance with a Partnership Dissolution Agreement Joseph Puritz proposed to issue a 6% note in the principal amount of \$91,116.18 dated August 1, 1968 in favor of Samuel Puritz. The certificate of public convenience and necessity and related public utility assets involved in this

proceeding are included among the properties covered by said agreement. The note would be repaid in 120 monthly installments of \$1,000 each, except that the last installment would be \$1,063.60. The application shows that as of January 1, 1971, said amount of \$91,116.18 had been reduced to \$64,960.77.

The "B. Puritz Oil Co." Annual Report to this Commission for the Year Ended December 31, 1970, shows total operating revenues and net income of \$135,342 and \$86,284, respectively. The reported assets and liabilities at December 31, 1970, including the indebtedness to be represented by the proposed note, are summarized as follows:

Assets

Current assets	\$136,304
Carrier property less reserve for depreciation	44,830
Noncarrier property less reserve for depreciation	<u>255,916</u>
Total	<u><u>\$437,050</u></u>

Liabilities

Current liabilities	\$158,979
Equipment obligations	30,878
Other long-term obligations	155,151
Other reserves	10,812
Proprietors' capital	<u>81,230</u>
Total	<u><u>\$437,050</u></u>

After consideration the Commission finds that:

1. The proposed note issue is for a proper purpose.
2. The money, property or labor to be procured or paid for by the issue of the note 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 transactions 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 Joseph Puritz and Samuel Puritz and the issuance of a certificate in appendix form to Joseph Puritz.

Joseph Puritz 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 December 31, 1971, Joseph Puritz and Samuel Puritz may

transfer to Joseph Puritz the petroleum irregular route carrier certificate of public convenience and necessity and other assets referred to in the application.

2. Joseph Puritz, in acquiring said certificate and assets, may assume the outstanding indebtedness referred to in the application, and may issue a note in the principal amount of not exceeding \$64,960.77. With exceptions of dates, principal amount and number of installments, the note shall be in substantially the same form as Exhibit C attached to the application.

3. Within thirty days after issuing the note herein authorized, Joseph Puritz shall file with the Commission a copy thereof as actually issued, the filing to be in lieu of a report under General Order No. 24-B.

4. Within thirty days after the consummation of the transfer herein authorized, Joseph Puritz 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. Joseph Puritz 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 he has adopted or established, as his 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. In the event the transfer authorized in Paragraph No. 1 hereof is consummated, a certificate of public convenience and necessity is granted to Joseph Puritz authorizing him 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.

7. The certificate of public convenience and necessity granted in Paragraph No. 6 of this order shall supersede the certificate of public convenience and necessity acquired by Joseph Puritz and Samuel Puritz pursuant to authority granted by Decision No. 60254, dated June 14, 1960, in Application No. 42037, which certificate is revoked effective concurrently with the effective date of the tariff filings required by Paragraph No. 5 hereof.

8. Within thirty days after the transfer herein authorized is consummated, Joseph Puritz shall file a written acceptance of the certificate herein granted. Joseph Puritz 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-F.

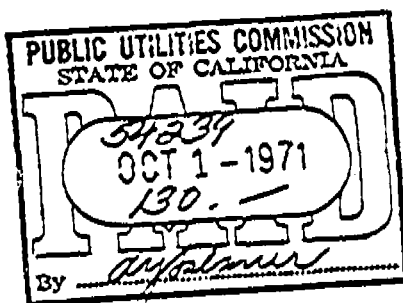
9. Joseph Puritz shall maintain his accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file

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.

10. Joseph Puritz shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If Joseph Puritz elects not to transport collect on delivery shipments, he shall make the appropriate tariff filings as required by the General Order.

11. This order shall become effective when Joseph Puritz has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$130.

Dated at San Francisco, California, this 28th day of SEPTEMBER, 1971.



William J. Sproule, Jr. Chairman
Yuan L. Sheng
Ed Del Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.

Joseph Puritz, 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, except petroleum products requiring pressurized equipment, in tank trucks and tank trailers, over any public highway between all points and places within the counties of:

Alameda	Merced	Shasta
Butte	Monterey	Sierra
Colusa	Napa	Siskiyou
Contra Costa	Placer	Solano
El Dorado	Plumas	Sonoma
Fresno	Sacramento	Stanislaus
Glenn	San Benito	Sutter
Kern	San Francisco	Tehama
Kings	San Joaquin	Tulare
Lake	San Luis Obispo	Yolo
Lassen	San Mateo	Yuba
Madera	Santa Clara	
Marin	Santa Cruz	

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.

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