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Decision No. 79524

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of CONSOLIDATED FREIGHTWAYS CORPO-)
RATION OF DELAWARE, a corporation,)
to sell, and CF TANK LINES, INC.,)
to purchase, Certificates of Public)
Convenience and Necessity for the)
transportation of petroleum and)
petroleum products, in bulk, and)
specified commodities between)
points and places in the State of)
California, pursuant to Sections)
851-53 of California Public)
Utilities Code.)

Application No. 53038
(Filed November 30, 1971)

O P I N I O N

Consolidated Freightways Corporation of Delaware requests authority to sell and transfer, and C. F. Tank Lines, Inc. requests authority to purchase and acquire, certificates of public convenience and necessity authorizing the transportation of petroleum and petroleum products, in bulk, and specified commodities between points and places within the state.

Applicant seller engages in extensive operations in intrastate, interstate and foreign commerce. It is primarily a general freight carrier, but has extensive specific commodity authority, including authority to transport commodities in bulk. The transportation of bulk commodities is a distinct service and requires special equipment and highly trained drivers. For this reason, applicant seller has a separate division devoted exclusively to the handling of bulk commodities. For matters of operating convenience applicant seller desires to transfer its bulk operations to applicant purchaser, a newly formed subsidiary that is authorized to do business in California. By order dated August 23, 1971, the Interstate Commerce

Commission authorized the transfer of interstate authority covering bulk operations.

The total value of the assets to be transferred, including realty, vehicles and operating authority, is \$4,511,236. In consideration therefor applicant purchaser will issue to applicant seller 10,000 shares of \$100 par value stock as the exchange for the excess of assets being transferred over the liabilities being transferred. The authority to issue stock was also granted by the Interstate Commerce Commission in its order of August 23, 1971.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest and concludes that it should be granted. A public hearing is not necessary. A supplemental order will be subsequently issued restating the operating authorities of applicants in loose-leaf form.

O R D E R

IT IS ORDERED that:

1. On or before May 1, 1972, Consolidated Freightways Corporation of Delaware may sell and transfer, and C. F. Tank Lines, Inc., 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, purchaser 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.
3. Purchaser shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the 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 two days after the effective date of this order on not less than two 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.

4. On or before the end of the third month after the consummation of the transfer as herein authorized, purchaser 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. Within thirty days after the effective date hereof, purchaser shall file a written acceptance of the certificate, the transfer of which is herein authorized. Purchaser is placed on notice that, if it accepts such certificate, 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-P.

6. Purchaser 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.

7. Purchaser shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If purchaser elects not to transport

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collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 21st day of DECEMBER, 1971

[Handwritten Signature]

Chairman

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Commissioners