

ORIGINAL

Decision No. 79720

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of WARREN TRANSPORTATION CO., a)
California corporation, and of)
E. GUY WARREN, an individual)
doing business as WARREN)
TRANSPORTATION CO., to sell and)
transfer, a certificate of public)
convenience and necessity and)
property, pursuant to the Public)
Utilities Code, Sections 851 and)
1063; and for said corporation to)
issue stock, and to assume)
liabilities, pursuant to the)
Public Utilities Code, Section)
816, et seq.)

Application No. 53093
Filed January 13, 1972

O P I N I O N

E. Guy Warren, doing business as Warren Transportation Co., seeks an order of the Commission authorizing him to transfer his highway common carrier certificate of public convenience and necessity and related assets to Warren Transportation Co., a corporation, and the latter seeks authority to assume liabilities and to issue 6,430 shares of its \$10 par value common stock.

E. Guy Warren operates as a highway common carrier of general commodities in portions of California pursuant to the certificate of public convenience and necessity granted by Decision No. 45417, dated March 6, 1951, as subsequently amended. Operations are also conducted under permits issued by this Commission and under Interstate Commerce Commission authority.

Warren Transportation Co. is a California corporation incorporated on or about December 8, 1970. In exchange for said certificate and assets, subject to liabilities, the corporation proposes to issue 6,430 shares of its \$10 par value common stock. Its pro forma balance sheet at November 30, 1971 is summarized from Exhibit C, attached to the application, as follows:

<u>Assets</u>	
Current assets	\$129,636
Net tangible property	120,340
Common carrier rights	<u>100</u>
Total	<u>\$250,076</u>
<u>Liabilities</u>	
Current liabilities, excluding equipment obligations	\$133,981
Equipment obligations	51,795
Common stock	<u>64,300</u>
Total	<u>\$250,076</u>

After consideration the Commission finds that:

1. The proposed transactions would not be adverse to the public interest.
2. The proposed stock issue is for a proper purpose.
3. 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.

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. So far as the rights are concerned the authorization herein granted is for the transfer of the 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.

The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by E. Guy Warren and the issuance of a certificate in appendix form to Warren Transportation Co., a corporation, which certificate will not exceed in scope the certificate presently held by E. Guy Warren.

Warren Transportation Co., a corporation, 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 before August 31, 1972 E. Guy Warren may sell and transfer, and Warren Transportation Co., a corporation, may purchase and acquire, the highway common carrier certificate of public convenience and necessity and related assets referred to in the application.

2. Warren Transportation Co., a corporation, on or after the effective date hereof and on or before August 31, 1972, in acquiring said certificate and assets, may assume outstanding liabilities and issue not exceeding 6,430 shares of its \$10 par value common stock.

3. Warren Transportation Co., a corporation, shall file with the Commission the report 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, Warren Transportation Co., a corporation, 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. Warren Transportation Co., a corporation, 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 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 Warren Transportation Co., a corporation, authorizing it to operate as a highway common carrier, as defined in Section 213 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendices A and B 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 granted to E. Guy Warren by Decision No. 45417, as amended, which certificate is revoked effective concurrently with the effective date of the tariff filings required by Paragraph No. 5 hereof.

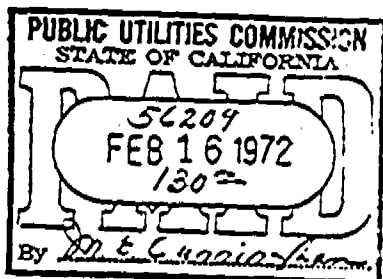
8. Within thirty days after the transfer herein authorized is consummated, Warren Transportation Co., a corporation, shall file a written acceptance of the certificate herein granted. Warren Transportation Co., a corporation, is placed on notice that, if it accepts the certificate of public convenience 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-Series.

9. Warren Transportation Co., a corporation, 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.

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

11. The authority herein granted to issue stock shall become effective when Warren Transportation Co., a corporation, has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$130. In other respects, the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 15th day of FEBRUARY, 1972.



William J. ... Chairman
[Signature]
Vernon L. ...
[Signature] Commissioners

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

Warren Transportation Co., a corporation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to conduct operations as a highway common carrier as defined in Section 213 of the Public Utilities Code for the transportation of general commodities as follows:

- A. BETWEEN points in the San Francisco Territory as described in Appendix B attached hereto. (See RESTRICTION No. 2)
- B. BETWEEN the San Francisco Territory as described in Appendix B, on the one hand, and points and places located upon and along the following described routes, on the other hand:
 - a. U. S. Highway 101 between San Francisco and Ukiah.
 - b. U. S. Highway 101 and U. S. Highway 101 By-pass between San Francisco and Santa Maria.
 - c. State Highway 17 between Oakland and San Jose.
 - d. U. S. Highway 40 between San Francisco and Colfax.
 - e. U. S. Highways 99, 99-E and 99-W between San Francisco and Redding.
 - f. U. S. Highway 299 between Redding and Alturas.
 - g. State Highway 36 between Red Bluff and Johnstonville.
 - h. U. S. Highway 395 between Johnstonville and the California-Nevada border.
 - i. U. S. Highway 99 between Sacramento and Bakersfield.
 - j. U. S. Highway 50 between Oakland and Stockton.
 - k. State Highway 33 between junction with U. S. Highway 50 near Tracy and Taft.

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- l. U. S. Highway 50 between Sacramento and Placerville.
- m. State Highway 120 between Manteca and Sonora, thence State Highway 108 between Sonora and Strawberry.

With the right to make lateral departures therefrom within a radius of twenty-five (25) miles of said routes.

- C. Lumber, other forest products and building materials BETWEEN Vallejo, on the one hand, and points and places located upon and along the described routes in B, above, on the other hand, with the right to make lateral departures therefrom within a radius of twenty-five (25) miles of said routes.

RESTRICTIONS:

Applicant shall not transport any shipments of:

1. Iron and steel articles between Pittsburg and points and places in San Francisco Territory as described in Appendix B.
2. Commodities published in its tariff locally between San Francisco, Oakland, Emeryville, Berkeley, Albany, El Cerrito, Richmond, Piedmont, Alameda and San Leandro.
3. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerated equipment.
4. Used household goods and personal effects not packed in accordance with the crated property requirements set forth in Item 5 of Minimum Rate Tariff 4-B.
5. Livestock, viz.: boars, bucks, bulls, calves, cattle, cows, dairy cattle, ewes, goats, hogs, horses, kids, lambs, oxen, pigs, sheep, sheep camp outfits, sows, steers, stags or swine.
6. Liquids, compressed gases, commodities in semiplastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles.

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7. Fresh or green fruits or vegetables.
8. Articles of unusual value.
9. Explosives.
10. Liquid sugar in bulk.
11. Reinforced concrete pipe and pipe fittings originating at Eayward, except when moving in mixed shipments with commodities authorized to be transported under this authority.
12. Commodities in bulk in dump trucks or hopper-type trucks, for which rates are named in Minimum Rate Tariff 7.

(END OF APPENDIX A)

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SAN FRANCISCO TERRITORY includes that area embraced by the following boundary: Beginning at the point the San Francisco-San Mateo County Boundary Line meets the Pacific Ocean; thence easterly along said boundary line to a point 1 mile west of U. S. Highway 101; southerly along an imaginary line 1 mile west of and paralleling U. S. Highway 101 to its intersection with the corporate boundary of the City of San Jose; southerly, easterly and northerly along said corporate boundary to its intersection with State Highway 17; northerly along State Highway 17 to Warm Springs; northerly along the unnumbered highway via Mission San Jose and Niles to Hayward; northerly along Foothill Boulevard to Seminary Avenue; easterly along Seminary Avenue to Mountain Boulevard; northerly along Mountain Boulevard and Moraga Avenue to Estates Drive; westerly along Estates Drive, Harbord Drive and Broadway Terrace to College Avenue; northerly along College Avenue to Dwight Way; easterly along Dwight Way to the Berkeley-Oakland boundary line; northerly along said boundary line to the campus boundary of the University of California; northerly and westerly along the campus boundary of the University of California to Euclid Avenue; northerly along Euclid Avenue to Marin Avenue; westerly along Marin Avenue to Arlington Avenue; northerly along Arlington Avenue to U. S. Highway 40 (San Pablo Avenue); northerly along U. S. Highway 40 to and including the City of Richmond; southwesterly along the highway extending from the City of Richmond to Point Richmond; southerly along an imaginary line from Point Richmond to the San Francisco Waterfront at the foot of Market Street; westerly along said waterfront and shoreline to the Pacific Ocean; southerly along the shoreline of the Pacific Ocean to point of beginning.

(END OF APPENDIX B)

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