

Decision No. 79818

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SAVAGE TRANSPORTATION CO., INC., a)
corporation, to sell and transfer,)
and TRANSCON LINES, a corporation,)
to buy, operative rights.)

Application No. 37038

SUPPLEMENTAL OPINION AND ORDER

By Decision No. 53154, dated May 28, 1956, in the above proceeding Savage Transportation Co., Inc., was authorized to sell and transfer a certificate of public convenience and necessity as a highway common carrier to Transcon Lines.

In the instant proceeding, Coast Drayage (Coast) seeks authority to sell and transfer its highway common carrier certificate of public convenience and necessity to Transcon Lines (Transcon). In addition, the surviving corporation requests this Commission to restate said certificate.

The carriers are California corporations operating as certificated (Transcon and Coast) and permitted (Coast) carriers under the jurisdiction of this Commission. In addition, they operate under the jurisdiction of the Interstate Commerce Commission. The carriers advise that they have received the authority to merge pursuant to the plenary jurisdiction of the Interstate Commerce Commission under Section 5 of the Interstate Commerce Act.

Transcon Lines has filed with the Commission a copy of the Interstate Commerce Commission Order issued by Review Board Number 5, dated January 21, 1972, Finance Docket No. MC-F-11270 and MC-110325 (Sub-No. 50) authorizing the purchase and transfer of interstate operating rights.

After consideration the Commission finds that public convenience and necessity require the granting of the authority

sought for transfer and concludes that it should be authorized. A public hearing is not necessary. A supplemental order will be issued restating the operating authorities of applicants in loose-leaf form.

Transcon Lines 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.

IT IS ORDERED that:

1. Coast Drayage may sell and transfer and Transcon Lines may purchase and acquire the operative rights 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 to 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 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 Series.

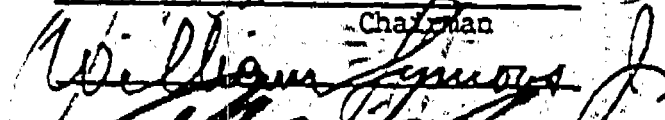
6. Purchaser shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform Systems of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content and number of copies as the Commission, from time to time, shall prescribe.

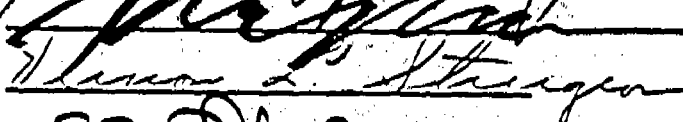
7. Purchaser shall comply with the requirements of the Commission's General Order No. 84 Series for the transportation of collect on delivery shipments. If purchaser elects not to transport collect on delivery shipments, it shall make the appropriate tariff filing as required by the General Order.


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

Dated at San Francisco, California, this 21st day of March, 1972.



Chairman





Commissioners