

Decision No. 81282

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:  
SOUTHERN TANK LINES, a corporation,  
to acquire, and SOUTHERN TANK LINES  
COMPANY, a co-partnership of SOUTHERN  
TANK LINES, REID OIL COMPANY and  
PETROLEUM EXCHANGE CORPORATION, all  
California corporations, to transfer  
a Certificate of Public Convenience  
and Necessity to operate as a high-  
way common carrier in the transporta-  
tion of petroleum and petroleum pro-  
ducts within the State of California,  
pursuant to Section 851, et seq., of  
the California Public Utilities Code.

Application No. 53834

(Filed February 8, 1973)

O P I N I O N

An order is sought authorizing Southern Tank Lines, a corporation, to purchase, and Southern Tank Lines Company (a copartnership of Southern Tank Lines, a corporation, Reid Oil Company, a corporation, and Petroleum Exchange Corporation) to sell the certificate of public convenience and necessity to operate as a petroleum irregular route carrier acquired by seller by Decision No. 70714 dated May 17, 1966 in Application No. 48337, as amended by Decision No. 70750 dated May 24, 1966 in Application No. 48337, and Decision No. 79456 dated December 14, 1971 in Application No. 48337. The transfer herein proposed is simply a reversal of the transfer authorized by Decision No. 70714, supra, and applicants allege that the transferor partnership was dissolved on December 31, 1972 and the transferee proposes to reacquire the rights which it previously held prior to the formation of the partnership. For accounting and reporting purposes the transferee requests that the transfer of the rights be made effective as of January 1, 1973.

The consideration for transfer is the sum of \$1,300 which, applicant states, is the consideration paid for the transfer from the corporation to the partnership.

The existing authority is restricted relative to tariff rates and a similar restriction should be continued herein.

The Commission finds that the transfer herein considered is not adverse to public interest. A public hearing is not necessary. An in lieu certificate of public convenience and necessity will be issued.

The authorization herein granted shall not be construed as a finding of value of the rights and properties herein authorized to be transferred.

Southern Tank Lines, a corporation, is 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 June 1, 1973, Southern Tank Lines Company (a copartnership of Southern Tank Lines, a corporation, Reid Oil Company, a corporation, and Petroleum Exchange Corporation) may sell and transfer, and Southern Tank Lines, a corporation, may purchase and acquire, the operative rights referred to in the application. For accounting and reporting purposes, such transfer may be considered effective January 1, 1973.

2. Within thirty days after the consummation of the transfer herein authorized, the purchaser shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any instrument which may be executed to effect such transfer.

3. Southern Tank Lines, a corporation, shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the common carrier operation herein to show that it has adopted and 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 filings of tariffs set forth in the Commission's General Order No. 80-Series. Failure to comply with and observe the provisions of General Order No. 80-Series may result in a cancellation of the operating authority granted by this decision.

4. In the event the transfer authorized in paragraph 1 hereof is consummated, a certificate of public convenience and necessity is granted to Southern Tank Lines, a corporation, authorizing it to operate as a petroleum irregular route carrier as defined in Section 214 of the Public Utilities Code, as set forth in Appendix A attached hereto and made a part hereof.

5. The certificate of public convenience and necessity granted in paragraph 4 of this order shall supersede the certificate of public convenience and necessity granted by Decisions Nos. 44729, 48093, 70714, 70750, and 79456, which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3 hereof.

6. Within thirty days after the transfer herein authorized is consummated, purchaser shall file a written acceptance of the certificate herein granted. Purchaser 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.

7. 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.

8. 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 filings as required by the General Order.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 17th day of APRIL, 1973.

Vernon L. Spencer  
President  
William Synovis, Jr.  
[Signature]  
[Signature]  
Commissioners

Southern Tank Lines, 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 tank trucks and tank trailers between all points and places in the State of California.

**RESTRICTIONS:**

Whenever Southern Tank Lines engages other carriers for the transportation of property of Southern Tank Lines or customers or suppliers of said corporation, Southern Tank Lines, shall not pay such other carriers rates and charges less than the rates and charges published in Southern Tank Lines' tariffs on file with this Commission.

Transportation of waste materials under this certificate is subject to obtaining and maintaining a valid registration certificate as a hauler of liquid waste from the State Water Resources Control Board.

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

Decision No. 81282, Application No. 53834.