

Decision No. 82091

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
F. L. MARTIN, dba F. L. MARTIN )  
TRUCKING, to sell and transfer )  
properties and operative authorities )  
to MADRON TRUCKING, INC., a )  
California corporation. )

Application No. 54287  
(Filed August 28, 1973)

O P I N I O N

F. L. Martin requests authority to sell and transfer, and Madron Trucking, Inc. requests authority to purchase and acquire, a certificate of public convenience and necessity authorizing operations as a cement carrier as well as certain property.

The certificate was granted by Decision No. 78996 dated August 10, 1971 in Application No. 52668 and authorizes the transportation of cement to and within the counties of Fresno, Kern, Kings, Los Angeles, Madera, Merced, Orange, Riverside, Sacramento, San Bernardino, San Joaquin, San Mateo, Santa Clara, Siskiyou, Stanislaus, and Tulare. The sale also includes the transfer of 2 tractors and 12 trailers. The agreed consideration is \$104,001, payable as follows: \$92,001 in cash and a promissory note for \$12,000 payable in five equal annual installments with interest at the rate of 7 percent per annum. A value of \$95,000 is placed upon the equipment, a value of \$9,000 upon the certificate, and a value of \$1 for goodwill. As of August 28, 1973 applicant purchaser indicated a pro forma net worth in the amount of \$50,000.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest and concludes that it should be authorized. We further find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment. A public hearing is not necessary. The order which follows will provide for, in the event the transfer is completed, the revocation of the certificate presently held by F. L. Martin and the issuance of a certificate in appendix form to Madron Trucking, Inc.

We further find that the proposed issuance of a promissory note is for proper purposes. The money, property, or labor to be procured or paid for by the issue of the note authorized by this decision is reasonably required for the purposes specified, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

Madron Trucking, Inc. 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, such 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 April 30, 1974, F. L. Martin may sell and transfer the operative rights and property referred to in the application to Madron Trucking, Inc.

2. Within thirty days after the transfer the purchaser shall file with the Commission written acceptance of the certificate and a true copy of the bill of sale or other instrument of transfer.

3. Purchaser shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the common carrier operations transferred to show that it has adopted or established, as its own, the 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 transfer. 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. 117-Series. Failure to comply with the provisions of General Order No. 117-Series 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 transfer, the 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. In the event the transfer authorized in paragraph 1 is completed, effective concurrently with the effective date of the tariff filings required by paragraph 3, a certificate of public convenience and necessity is granted to Madron Trucking, Inc., authorizing it to operate as a cement carrier, as defined in Section 214.1 of the Public Utilities Code, between the points set forth in Appendix A, attached hereto and made a part hereof.

6. The certificate of public convenience and necessity granted by Decision No. 78996 is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3.

7. Purchaser shall comply with the safety rules of the California Highway Patrol, and insurance requirements of the Commission's General Order No. 100-Series.

8. 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.

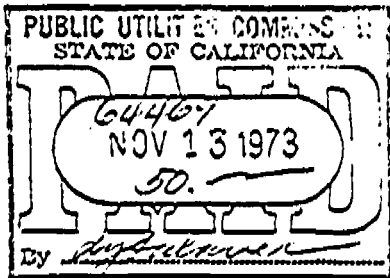
9. Purchaser shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If applicant elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

10. After the effective date hereof purchaser may execute a promissory note in an amount not to exceed \$12,000, for the purposes specified in the application.

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The authority granted by this order to issue a note will become effective when the issuer has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$50. In other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 7<sup>th</sup> day of NOVEMBER, 1973.



Vernon L. Stegman  
President  
William J. Symons  
H. J. H. H. H.  
Commissioners

Madron Trucking, Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to conduct operations as a cement carrier, as defined in Section 214.1 of the Public Utilities Code, from any and all points of origin to all points and places within the following counties:

Fresno, Kern, Kings, Los Angeles, Madera, Merced, Orange, Riverside, Sacramento, San Bernardino, San Joaquin, San Mateo, Santa Clara, Siskiyou, Stanislaus and Tulare.

This certificate of public convenience and necessity shall lapse and terminate if not exercised for a period of one year.

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

Decision No. 82091, Application No. 54287.