

Decision No. 85689

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of NATIONAL TANK LINES, a)
corporation, for authority to)
control USA TANK LINES, a)
corporation.)

Application No. 56211
(Filed January 16, 1976)

O P I N I O N

National Tank Lines, a California corporation, seeks authority to control USA Tank Lines, a California corporation, through stock purchase.

USA Tank Lines operates as a highway common carrier of petroleum products, in bulk, in insulated tanks, pursuant to a certificate of public convenience and necessity granted by Decision 82601, dated March 19, 1974, in Application 54443. It is authorized by its Articles of Incorporation to issue 20,000 shares of its \$10 par value common stock. Currently, only 1,000 shares of such stock are issued and outstanding and are held by USA Petroleum Corporation. Consideration for these shares is \$160,000.

National Tank Lines is engaged in the business of buying, distributing and selling petroleum products. It also holds a petroleum irregular route certificate of public convenience and necessity granted by this Commission in Decision 44476 dated June 27, 1950 in Application 31254. All of its issued and outstanding capital stock consisting of 3,500 shares are owned by UCO Oil Company, a California corporation, which also owns all issued and outstanding stock of Southern Tank Lines, a California corporation, which holds a petroleum irregular route certificate of public convenience and necessity granted by Decision 81282 dated April 17, 1973 in Application 53834 and highway carrier permits issued by this Commission.

It is alleged that after acquisition of control, if approved by the Commission, the officers and directors of USA Tank Lines will consist of persons who have considerable experience in the for-hire motor carrier business and that there will be no adverse effect upon the financial condition of the motor carrier business and there will be no change in the rates or other charges now assessed to the public.

Notice of the filing of the application was made in the Commission's Daily Calendar of January 27, 1976. No protests to the application have been received.

After consideration, the Commission finds that control of USA Tank Lines by National Tank Lines would not be adverse to the public interest. As hereinbefore stated, National Tank Lines and Southern Tank Lines both hold statewide petroleum irregular route carrier certificates and both are wholly owned subsidiaries of UCO Oil Company. Since the Commission does not permit the holding of duplicate operating authorities, National Tank Lines has requested that its certificate be suspended for one year so that it may find a buyer. The order herein will provide for such suspension and revocation of the certificate if a transfer application is not filed within the one-year period. Additionally, because of the affiliation among the several entities an alter-ego restriction will be placed on their operating authorities.

The Commission concludes that the acquisition of control of USA Tank Lines, as requested in the application, should be authorized. A public hearing is not necessary. The Commission also concludes that the effective date of this order should be the date on which it is signed because there is no known opposition and there is no reason to delay granting the authorization requested.

O R D E R

IT IS ORDERED that:

1. National Tank Lines, a California corporation, may control USA Tank Lines, a California corporation.

2. Within ninety days after the date hereof, National Tank Lines and USA Tank Lines shall file reports informing the Commission whether or not the control authorized has been completed.

3. In the event the control authorized in paragraph 1 is completed, effective concurrently with the effective date such control is accomplished, the certificates of public convenience and necessity held by USA Tank Lines and Southern Tank Lines are amended by the appendices attached hereto in the following manner:

a. Amend Appendix A of Decision 82601 by substituting First Revised Page 2 in place of Original Page 2.

b. Amend Appendix A of Decision 81282 by substituting First Revised Page 1 in place of Original Page 1.

4. The certificate of public convenience and necessity to operate as a petroleum irregular route carrier granted to National Tank Lines by Decision 44476 in Application 31254 is hereby placed in voluntary suspension for a period of one year, commencing with the effective date of this order. If an application to transfer the certificate is not filed within this period, the certificate shall be automatically cancelled without any further order of the Commission.

5. During the period of suspension, National Tank Lines shall continue to file quarterly reports and pay fees pursuant to Section 5003.1 of the Public Utilities Code and file an annual financial report with the Commission.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 13th day of
April, 1976.

William S. Lyons President
Vernon L. Sturgeon
Horn
Rahit Batum Commissioners

Commissioner D. W. Holmes, being
necessarily absent, did not participate
in the disposition of this proceeding.

Appendix A
(D.81282)

SOUTHERN TANK LINES
(a California corporation)

First Revised Page 1
Cancels
Original Page 1

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, USA Tank Lines, a corporation, National Tank Lines, a corporation, or UCO Oil Company, a corporation, or customers or suppliers of said corporations, 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.

*Amended by Decision 85689, Application 56211.

7. U.S. Highway 50 between Sacramento and the California-Nevada State Line;
8. U.S. Highway 395 between the California-Nevada State Line, near Topaz Lake, and its junction with Interstate Highway 15, near Hesperia;
9. Interstate Highway 15 between its junction with Interstate Highway 10 and the California-Nevada State Line; Interstate Highway 40 (U.S. Highway 66), between Barstow and Needles, via Amboy and Essex;
10. State Highway 60 between the City of Los Angeles and its junction with Interstate Highway 10 at Beaumont;
11. State Highway 127 between Baker and the California-Nevada State Line;
12. Interstate Highway 8 between San Diego and the California-Arizona State Line.

RESTRICTIONS:

*Whenever USA Tank Lines engages other carrier for the transportation of property of USA Tank Lines, Southern Tank Lines, a corporation, National Tank Lines, a corporation, or UCO Oil Company, a corporation, or customers or suppliers of said corporations, USA Tank Lines, shall not pay such other carriers rates and charges less than the rates and charges published in USA 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.

*Amended by Decision 85683, Application 56211.