

ORIGINAL

Decision No 86422

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of USA TANK LINES, a corporation,)
 to transfer its petroleum regular)
 route certificate of public con-)
 venience and necessity, and TRANS)
 WORLD OIL CORPORATION, a corpora-)
 tion, to acquire said certificate.)

Application No. 56539
 (Filed June 7, 1976)

O P I N I O N

USA Tank Lines, a California corporation, (seller) requests authority to sell and transfer and Trans World Oil Corporation, a California corporation, (purchaser) requests authority to purchase and acquire a certificate of public convenience and necessity authorizing operations as a highway common carrier. The agreed cash consideration is \$1,000.

The certificate was granted by Decision 82601, dated March 19, 1974, in Application 54443 and authorizes the transportation of petroleum products in bulk, with certain exceptions along many of the major highway routes in this state.

Purchaser does not presently hold operating authority issued by this Commission. Applicants indicate that the officers and directors of purchaser have had over 15 years business experience and are well qualified to participate in the management of the corporation's transportation operations; that there will be no adverse effect upon the financial condition of the motor carrier business and that no change in rates or charges assessed to the public will occur as a result of the transfer.

Purchaser is a wholly owned subsidiary of USA Petroleum Corporation which also controls several other corporations engaged in various aspects of the petroleum business.

Seller is party to Western Motor Tariff Bureau, Inc., Agent, tariff publications. Purchaser proposes to adopt the tariffs.

Purchaser's balance sheet of March 31, 1976 shows assets of \$3,096,720, liabilities of \$1,708,136 and indicates a net worth of \$1,388,584.

A copy of the application has been forwarded to the California Trucking Association and notice of the filing of the application appeared in the Commission's Daily Calendar of June 10, 1976. The applicants request relief from the provisions of the Commission's Rules of Practice and Procedure which require wide dissemination of the application. No protests to the application have been received.

After consideration, the Commission finds that the deviation from its Rules of Practice and Procedure should be authorized; that the proposed transfer would not be adverse to the public interest and concludes that it should be authorized. The Commission also concludes that the effective date of this order should be the date on which it is signed because there is no reason to delay the authority requested. 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 USA Tank Lines and the issuance of a certificate in appendix form to Trans World Oil Corporation. The new certificate will be conditioned to reflect the affiliation of purchaser with other entities.

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

Applicant purchaser 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 cancelled 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 February 1, 1977, USA Tank Lines may sell and transfer the operative rights referred to in the application to Trans World Oil Corporation.
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 5 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 80-Series. Failure to comply with the provisions of General Order 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 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 Trans World Oil Corporation, a California 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 set forth in Appendix A, attached hereto and made a part hereof.
5. The certificate of public convenience and necessity granted by Decision 82601 is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3.

6. Purchaser shall comply with the safety rules administered by the California Highway Patrol and the insurance requirements of the Commission's General Order 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 April 30 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 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.

9. Applicants are granted a deviation from the Commission's Rules of Practice and Procedure to the extent requested in the application.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 21st day of September, 1976.

President
William L. Linton

Vernon L. Linton

Ronald Ross

Robert Bateman
Commissioners

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

Trans World Oil 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 petroleum products, in bulk, except liquefied petroleum gases and any other petroleum products requiring pressurized tanks, other than casing head or natural gasoline requiring tanks having a working pressure of not more than 60 pounds per square inch, and except liquid asphalt and hot road oils and any other petroleum products requiring insulated tanks, along the following described routes, including all intermediate points, with the right to make lateral departures therefrom within 50 statute miles of said routes subject to the restrictions noted below.

1. U. S. Highway 101 between the Oregon-California State Line and the City of Los Angeles; Interstate Highway 5 between Wheeler Ridge and the International Border with Mexico;
2. Interstate Highway 5 between the Oregon-California State Line and Sacramento; State Highway 99 between Red Bluff and Wheeler Ridge; Interstate Highway 10 between the City of Los Angeles and the California-Arizona State Line; and State Highway 86 between Indio and the International Border with Mexico;
3. State Highway 299 between Redding and Alturas;
4. U. S. Highway 395 between the Oregon-California State Line and the California-Nevada State Line via Alturas and Johnstonville; State Highway 36 between its junction with State Highway 99, near Red Bluff, and its junction with U. S. Highway 395, at Johnstonville;
5. State Highway 20 between Marysville and its junction with Interstate Highway 80;

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6. Interstate Highway 80 between San Francisco and the California-Nevada State Line;
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.

RESTRICTION:

Whenever Trans World Oil Corporation engages other carriers for transportation of property of Trans World Oil Corporation, USA Tank Lines, a corporation, USA Petrochem Corporation, a corporation, M-K Oil Company, Inc., a corporation, Gasolinas De Puerto Rico Corporation, a corporation, Supersave Petroleum Corporation, a corporation, or USA Petroleum Corporation, a corporation, or customers or suppliers of such corporations, Trans World Oil Corporation shall pay such other carriers not less than the rates and charges published in Trans World Oil Corporation's tariffs on file with this Commission.

(END OF APPENDIX A)

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