

ORIGINAL

Decision 82 02 050 FEB - 4 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ROBERT B. FROST and MARGARET A.)
FROST for authority to control)
EQUIPMENT TRANSPORTATION SERVICE,)
INC. through the purchase of stock)
pursuant to Section 854 of the)
California Public Utilities Code.)

Application 60821
(Filed August 17, 1981)

O P I N I O N

Robert B. Frost and Margaret A. Frost (the Frosts) seek authority to purchase and Gene L. Jones (Jones) seeks authority to sell stock which will give the Frosts controlling stock interest in Equipment Transportation Service, Inc. (ETS), a California corporation. A copy of the application was served on California Trucking Association. The Frosts and Jones request that the Commission grant a waiver of Rule 21(f) of the Commission's Rules of Practice and Procedure as they believe no other persons will have an interest in the transaction as the change in control will in no way affect the competitive position or operations of ETS. No protests to the application have been received.

ETS operates as a highway common carrier by authority issued under Senate Bill 860 in GC-1427. It also operates as a highway contract, heavy-specialized, and agricultural carrier (File No. T-124,191). The balance sheet attached to the application shows that as of March 31, 1981 ETS had a net worth of \$43,787 and the Statement of Earnings shows that for the 11-month period ended on that date ETS had a net operating loss before taxes of \$3,507 on gross revenue of \$307,570.

The application shows that there are currently outstanding 2,500 shares of common capital stock of ETS, of which 1,250 shares are held jointly by the Frosts as community property and 1,250 shares held by Jones. The parties originally commenced operations as a partnership but subsequently incorporated the venture on September 12, 1977. The Frosts propose to buy and Jones to sell all of Jones' 1,250 shares. As consideration for the transfer of stock the Frosts have agreed to cancel certain indebtedness owed to them by Jones in the amount of \$12,500.

Upon consummation of the transaction the Frosts, who are presently president/director and secretary treasurer/director, respectively, of ETS, will remain in their present positions. The proposed transaction represents a change only in the corporate ownership of ETS.

Findings of Fact

1. The Frosts seek authority to control ETS through the purchase of stock from Jones.
2. ETS operates as a highway common carrier and highway contract, heavy-specialized, and agricultural carrier under authority issued by the Commission.
3. The Frosts presently own 50% of the issued and outstanding stock of ETS.
4. Upon completion of the proposed transaction ETS will continue to operate as it has before with the same officers and directors.
5. As consideration for the transfer of the shares the Frosts have agreed to cancel certain indebtedness owed to them by Jones in the amount of \$12,500.
6. The proposed transfer and assumption of control is not adverse to the public interest.

7. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

8. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

9. A public hearing is not necessary.

Conclusion of Law

The application should be granted.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. On or before April 1, 1982 Robert B. Frost and Margaret A. Frost may assume control of Equipment Transportation Service, Inc. through the purchase of stock as described in the application.

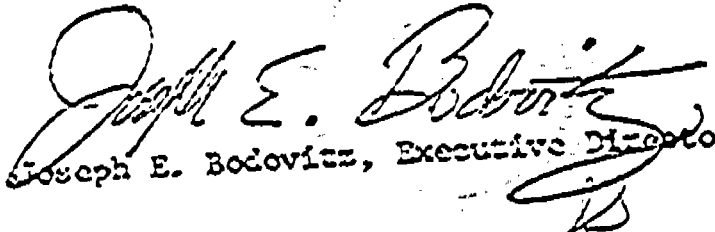
2. The requirements of Rule 21(f) of the Commission's Rules of Practice and Procedure are waived.

This order becomes effective 30 days from today.

Dated FEB 4 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. CRIMES, JR.
VICTOR CALVO
PRISCILLA C. CREW
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director