

Decision 82 08 028

AUG 18 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of VanGo, a California )  
 corporation, to transfer its Highway )  
 Common Carrier Certificate and Permit )  
 and Altruk Freight Systems Inc., a )  
 Missouri corporation, to acquire said )  
 Certificate and Permit. (Public )  
 Utilities Code 851 and 1063.5.) )

Application 82-04-67  
 (Filed April 28, 1982)

O P I N I O N

VanGo, a California corporation, requests authority to transfer a certificate of public convenience and necessity to Altruk Freight Systems Inc., (Altruk), a Missouri corporation, qualified to do business in California. VanGo and Altruk are wholly owned by ROCOR International, a Nevada corporation. The certificate, issued April 30, 1980 under Public Utilities (PU) Code § 1063.5 in Application GC 9631, File T-74070, authorizes the transportation of general commodities within the State.

Section 1063.5 authorized holders of radial highway common carrier permits to convert their permits to highway common carrier certificates. In Decision 89575 dated October 31, 1978, as amended, the Commission held that during the 5-year period after their § 1063.5 certificates become effective, carriers should be allowed to expand or contract their operations conducted under such certificates by making appropriate tariff filings. This procedure preserves the carriers' opportunity, formerly available to radial permit holders, to develop and shape their operations based upon managerial objectives. PU Code § 1064.5 prohibits the transfer of § 1063.5 certificates during that 5-year period except to the extent of operations actually conducted as a prime carrier. By Resolution 18049 dated July 31, 1979 the Commission recognized that businesses

often change their legal form while continuing the same operations, and it held that some transfers of § 1063.5 certificates were not transfers within the meaning of § 1064.5. Similarly, transfers of operating authority between corporations in which a parent corporation owns, either directly or indirectly, a 100% interest in both subsidiary corporations do not result in a change in the beneficial ownership. Therefore, when a transfer of a § 1063.5 certificate will result in the beneficial ownership interests remaining substantially the same, the transfer will be authorized without compliance by the applicants with the service rules relating to transfers. This application involves such a transfer.

Findings of Fact

1. There is no change in the beneficial ownership of the § 1063.5 common carrier authority.
2. The proposed transfer would not be adverse to the public interest. A public hearing is not necessary.
3. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that:

1. On or before December 31, 1982, VanGo, a California corporation, may transfer to Altruk Freight Systems Inc. the operating authority issued under PU Code § 1063.5 in Application GC-9631.
2. Within 30 days after the transfer Altruk Freight Systems Inc. shall file with the Commission written acceptance of the certificate and a true copy of the instrument of transfer.

3. Altruk Freight Systems Inc. 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 them as its own. The tariff filings shall be made effective not earlier than 5 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 under this order shall comply with General Orders Series 80 and 147 (regulations governing the construction and filing of tariffs). Failure to comply may result in cancellation of the operating authority granted by this decision.

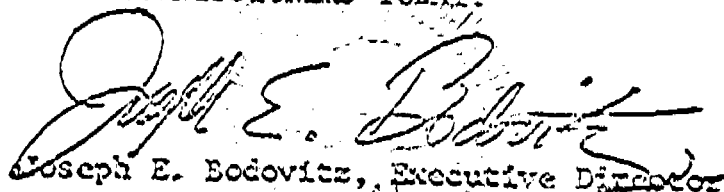
This order becomes effective 30 days from today.

Dated AUG 18 1982, at San Francisco,  
California.

JOHN E. BRYSON  
President  
RICHARD D. GRAVELLE  
LEONARD M. GRIMES, JR.  
VICTOR CALVO  
Commissioners

Commissioner Priscilla C. Grow,  
being necessarily absent, did  
not participate

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

  
Joseph E. Bodovitz, Executive Director