

ORIGINAL

Decision No. 87456 June 7, 1977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of P & G TRANSPORT, INC., a)
corporation, for authority to)
(a) acquire a Certificate of)
Public Convenience and Necessity)
and SNYDER TRANSFER COMPANY,)
INC, a corporation, to transfer)
pursuant to Sections 851-854 of)
the California Public Utilities)
Code, and (b) issue a Note and)
Security agreement pursuant to)
Section 816, et seq of the)
California Public Utilities Code.)

Application No. 57204
(Filed April 5, 1977)

O P I N I O N

Snyder Transfer Company, a corporation, (seller) requests authority to sell and transfer and P & G Transport, Inc., a corporation (purchaser) requests authority to purchase and acquire a certificate of public convenience and necessity authorizing operations as a highway common carrier. The certificate was granted by Decision 60841 dated October 4, 1960 in Application 42162 and authorizes the transportation of general commodities in an area of Southern California approximately contiguous with Los Angeles Basin Territory except for certain areas of Riverside and Orange Counties. The certificate is the subject of a coextensive Certificate of Registration issued by the Interstate Commerce Commission under Docket No. MC 95838 (Sub No. 3). Seller also operates pursuant to permits issued by this Commission. Disposition of these permits is not part of this transaction.

P & G Transport, Inc., a California corporation, proposes to purchase and acquire the highway common carrier certificate for the sum of \$55,000 of which \$25,000 is for the intrastate authority and the balance of \$30,000 is for the Certificate of Registration.

The purchase price of \$55,000 would be paid with \$6,000 in cash upon the execution of the agreement and a \$49,000 promissory note secured by a security agreement encumbering the operating rights. The note is repayable in 48 monthly installments with an interest rate of 9% per annum on the unpaid balance.

Purchaser presently holds a permit issued by this Commission. Its financial statement of December 31, 1976 indicates net worth of \$60,175.00.

Seller is a party to Western Motor Tariff Bureau, Agent, tariff publications to provide rates and rules for operations under the certificate to be transferred. Purchaser proposes to adopt the tariffs.

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 April 8, 1977. 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:

1. The proposed sale and transfer of the operating rights, the encumbrance of such rights and the issuance of the promissory note would not be adverse to the public interest.
2. The requested deviation from the Commission's Rules of Practice and Procedure should be authorized.
3. The proposed note issue is for a proper purpose. The money, property or labor to be procured or paid for by the issue of the note authorized in 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.

The Commission concludes that the application should be granted as set forth in the ensuing order. 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 held by Snyder Transfer Company, Inc. and the issuance of a certificate in appendix form to P & G Transport, Inc.

Purchaser is placed on notice that operative rights, as such, do not constitute a class of property which may be used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of 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. The authorization granted shall not be construed as a finding of value of the rights authorized to be transferred.

O R D E R

1. On or before December 31, 1977, Snyder Transfer Company, Inc., a corporation, may sell and transfer the operating rights referred to in the application to P & G Transport, Inc., a 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 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 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 P & G Transport, Inc., a corporation, authorizing it to operate as a highway common carrier, as defined in Section 213 of the Public Utilities Code, between the points set forth in Appendix A, attached hereto and made a part hereof.

5. The certificate of public convenience and necessity granted by Decision 60841 is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3.

6. Purchaser shall comply with the safety rules of the California Highway Patrol, and 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.

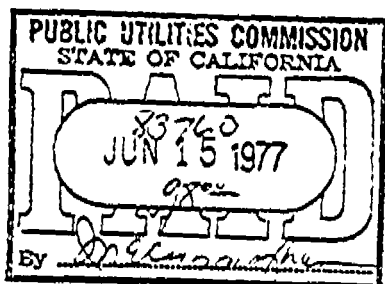
9. The applicants are granted a deviation from the Commission's Rules of Practice and Procedure to the extent requested in the application.

10. The issuer of the note authorized by this order shall file with the Commission a report, or reports, as required by General Order 24-Series.

11. Purchaser may execute and deliver a note and security agreement in substantially the same form referred to and for the purposes set forth in the application.

12. The authority granted by this order to execute and deliver an encumbering document will become effective when the issuer has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$98.00. In all other respects, the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 7th
day of JUNE, 1977.



Robert Babin
President
William S. Moore, Jr.
Vernon L. Sturgeon
Richard D. Rowland

Commissioners

P & G Transport, Inc., a California 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 general commodities within the following described area:

Beginning at the intersection of the westerly boundary of the City of Los Angeles and the Pacific Ocean; thence along the westerly and northerly boundaries of said City to its point of first intersection with the southerly boundary of Angeles National Forest; thence along the southerly boundary of Angeles and San Bernardino National Forests to the points of intersection of said southerly boundary of the San Bernardino National Forest and the San Bernardino-Riverside County Line; thence in a southerly and westerly direction along said county boundary to a point thereon distant 5 statute miles east of the intersection of said county boundary and State Highway 91; thence generally southerly and southwesterly along a line generally paralleling and distant 5 statute miles from State Highway 91, State Highway 55, Interstate Highway 5, Laguna Canyon Road, and the prolongation thereof to the Pacific Ocean; thence along the coastline of the Pacific Ocean to the point of beginning.

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Except that pursuant to the authority herein granted carrier shall not transport any shipments of:

1. Used household goods, personal effects and office, store and institution furniture, fixtures and equipment not packed in salesmen's hand sample cases, suitcases, overnight or boston bags, brief cases, hat boxes, valises, traveling bags, trunks, lift vans, barrels, boxes, cartons, crates, cases, baskets, pails, kits, tubs, drums, bags (jute, cotton, burlap or gunny) or bundles (completely wrapped in jute, cotton, burlap, gunny, fibreboard, or straw matting).
2. Automobiles, trucks and buses, viz.: new and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses and taxis, freight automobiles, automobile chassis, trucks, truck chassis, truck trailers, trucks and trailers combined, buses and bus chassis.
3. Livestock, viz.: barrows, boars, bulls, butcher hogs, calves, cattle, cows, dairy cattle, ewes, feeder pigs, gilts, goats, heifers, hogs, kids, lambs, oxen, pigs, rams (bucks), sheep, sheep camp outfits, sows, steers, stags, swine or wethers.
4. Liquids, compressed gases, commodities in semi-plastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles.
5. Commodities when transported in bulk in dump-type trucks or trailers or in hopper-type trucks or trailers.

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6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
7. Logs.
8. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.

(END OF APPENDIX A)

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