

Decision No. 89165 JUL 25 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of KOPPERS COMPANY, INC. for)
 authority to control P & K MATE-)
 RIALS, INC. through purchase of)
 the issued and outstanding capi-)
 tal stock of SULLY-MILLER CON-)
 TRACTING COMPANY from UNION OIL)
 COMPANY OF CALIFORNIA)

Application No. 58164
 (Filed June 23, 1978)

O P I N I O N

Koppers Company, Inc., a Delaware corporation, seeks authority to control Sully-Miller Contracting Company, a California corporation and a wholly owned subsidiary of Union Oil Company of California, a California corporation, by purchase of all its issued and outstanding stock from said parent company. Sully-Miller Contracting Company, by stock ownership, presently controls P & K Materials, Inc., a California corporation.

Koppers Company, Inc. is a diversified manufacturing organization which offers specialized engineering and construction capabilities through 249 manufacturing facilities which make more than 100 types of products. It does not directly hold operating rights issued by this Commission. However, pursuant to Decision 88296, dated December 20, 1977, in Application 57737, it controls through stock ownership Miles & Sons Trucking Service, a California corporation, which holds highway carrier permits and certificates of public convenience and necessity authorizing operations as a Petroleum Irregular Route Carrier, a Cement Carrier and a Highway Common Carrier.

Sully-Miller Contracting Company holds only highway carrier permit authority issued by this Commission. It obtained control of P & K Materials, Inc., which holds highway carrier permits and a Cement Carrier Certificate, pursuant to Decision 83775, dated November 26, 1974, in Application 55333.

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Pursuant to the "Agreement of Sale" dated June 22, 1978, the purchase price for all of the 109,222 issued and outstanding shares of Sully-Miller Contracting Company's no par value stock is \$25,000 payable on the first day of the calendar month following the effective date of the Commission's order authorizing the requested control. As a result of this transaction, Koppers Company, Inc., through Sully-Miller Contracting Company, will also acquire control of P & K Materials, Inc.'s cement carrier certificate of public convenience and necessity and highway carrier permits.

Applicants request relief from the provisions of the Commission's Rules of Practice and Procedure which require wide dissemination of the application. A copy of the application was mailed to the California Trucking Association and notice of the application was made in the Commission's Daily Calendar of June 23, 1978. No protests to the application have been received.

After consideration, the Commission finds that control of P & K Materials, Inc. by Koppers Company, Inc. through acquisition of all of the issued and outstanding stock of Sully-Miller Contracting Company would not be adverse to the public interest. An appropriate alter ego restriction will be added to the operating authorities involved.

The Commission concludes that the acquisition of control of Sully-Miller Contracting Company and P & K Materials, Inc., as requested in the application should be authorized. A public hearing is not necessary. The action taken herein shall not be construed as a finding of value of the capital stock of Sully-Miller Contracting Company.

O R D E R

IT IS ORDERED that:

1. Koppers Company, Inc., a Delaware corporation, may control Sully-Miller Contracting Company and P & K Materials, California corporations.

2. Within ninety (90) days after the effective date of this decision Koppers Company, Inc. and Sully-Miller Contracting Company shall file reports informing the Commission whether or not the stock acquisition has been completed.

3. The cement carrier certificate granted by Sub No. 12 of Resolution No. 13823 dated June 23, 1964 in Application 46420, as amended by Resolution No. 18025 dated July 11, 1978, is hereby further amended by the substitution of the following alter ego restriction in place and instead of the restriction presently noted on said certificate.

"RESTRICTION

Whenever P & K Materials, Inc. engages other carriers for the transportation of property of Sully-Miller Contracting Company, S. T. Milling Company, Koppers Company, Inc., Collier Carbon and Chemical Corporation, Miles & Son Trucking Service, or P & K Materials, Inc., or subsidiaries, divisions, affiliates thereof, or customers or suppliers of said corporations, divisions, affiliates, or subsidiaries thereof, P & K Materials shall not pay such other carriers rates and charges less than the rates and charges set forth in P & K Materials, Inc.'s tariffs on file with the Commission for the transportation actually performed by such other carriers."

4. Applicant is granted a deviation from the Commission's Rules of Practice and Procedure to the extent requested in the application.

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The effective date of this order shall be thirty days
after the date hereof.

Dated at San Francisco, California, this 25th
day of JULY, 1978.

Robert Bateman
William Symons Jr.
Vernon L. Sturgeon
Richard W. Howell
Clare T. Dietrich