

ORIGINAL

Decision 93441 ~~AUG 18 1981~~

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Saragoza Trucking, Inc., a)
corporation, to acquire, and)
Gonzalo Saragoza, dba Saragoza)
Trucking, an individual,)
to transfer a Highway Common)
Carrier Certificate (pursuant to)
Section 851, et seq., of the)
California Public Utilities Code).)

Application 60365
(Filed March 17, 1981)

O P I N I O N

Gonzalo Saragoza, doing business as Saragoza Trucking, requests authority to transfer a certificate of public convenience and necessity to Saragoza Trucking, Inc., a newly formed California corporation of which Gonzalo Saragoza is president and sole stockholder. The certificate, issued under Public Utilities (PU) Code Section 1063.5 in Application GC 599, File T-64241, 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 Section 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 Section 1064.5 prohibits the transfer of Section 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. It held that some transfers of Section 1063.5 certificates were transfers within the meaning of Section 1064.5. Therefore, when a transfer of a Section 1063.5 certificate is required by a change in the form of the business entity, such as the incorporation of a proprietorship or partnership where the beneficial ownership interests remain 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 Section 1063.5 common carrier authority.
2. The proposed transfer would not be adverse to the public interest.

3. A public hearing is not necessary.
4. 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 1, 1981 Gonzalo Saragoza may transfer to Saragoza Trucking, Inc. the operating authority issued under PU Code Section 1063.5 in Application GC 599.
2. Within 30 days after the transfer Saragoza Trucking, Inc. shall file with the Commission written acceptance of the certificate and a true copy of the instrument of transfer.
3. Saragoza Trucking, Inc. shall amend or reissue the adoption notice 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 adoption notice 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 adoption notice filings shall be concurrent with the transfer. The adoption notice filings made pursuant to this order shall comply in all

respects with the regulations governing the construction and filing of adoption notices set forth in the Commission's General Order Series 80. Failure to comply with the provisions of General Order Series 80 may result in cancellation of the operating authority granted by this decision.

This order becomes effective 30 days from today.

Dated AUG 18 1981, at San Francisco, California.

John E. Bayson
President
Richard D. Harold
Leonard W. Smith
Victor J. ...
Frederic C. Gray
Commissioners