

Decision No. 14 9 23-

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of South Shore Port Company, for )  
a Certificate of Public Convenience )  
and Necessity to operate Vessels )  
for the transportation of property. )  
for compensation, between points )  
upon the Inland Waters of the State )  
of California. )

APPLICATION NO. 10902.

John S.P. Dean, for Applicant.  
Gwyn H. Baker, for San Jose Transportation Company.  
C.M. Covell, for Encinal Terminals.  
Sanborn & Roehl and DeLancey C. Smith, by H.E. Sanborn,  
for Bay Cities Transportation Company.

BY THE COMMISSION:

O P I N I O N

South Shore Port Company, a corporation, with its principal place of business at Mountain View, California, applies under the provisions of paragraph (d), section 50, of the Public Utilities Act for a certificate of public convenience and necessity authorizing the operation by it of vessels in connection with auto trucks for the transportation of property, for compensation, between Oakland and Alameda on the one hand, and Port South Shore and other points now served by applicant in Santa Clara County, on the other hand.

The petition shows that applicant owns and operates one vessel and six auto trucks in the performance of its common carrier

duties between San Francisco and Port South Shore. Palo Alto, Mayfield, Mountain View, Sunnyvale, Santa Clara, San Jose, Cupertino, Saratoga, Los Gatos, Campbell, Alviso, Coyote, Morgan Hill, San Martin, Gilroy and points intermediate thereto, and also points located two miles on either side of the traversed roads and highways.

A public hearing was held at San Francisco April 14, 1925, before Examiner Geary, and the matter having been duly submitted is ready for a decision.

The freight rates and charges proposed by applicant between Oakland-Alameda and Port South Shore and other points in the Santa Clara Valley now served by it are on a slightly higher basis than those now in effect from or to San Francisco. The class rates are higher by 1 cent at Oakland and 2 cents at Alameda than the San Francisco rates, and there does not appear to be any established differential in the proposed commodity rates, but all are different from those in effect from or to San Francisco.

Applicant started operation during July, 1923 between San Francisco and Port South Shore, only. Effective September 29, 1923, by authority of this Commission in Decision No. 12648, the territory was extended to other points in Santa Clara County in connection with joint auto truck service performed by South Shore Drayage Company. On March 1, 1924 the latter company was absorbed by applicant and since that time the entire service has been operated by South Shore Port Company.

The present equipment of applicant includes one motor ship, 89 feet long and 28 feet wide, with a net capacity of 79 tons; six auto trucks, consisting of two 4-ton Garfords; two 2½-ton Garfords, and two 2-ton Fords, and terminal facilities at Port South Shore. There is now under construction one twin Diesel Motor Ship 106 feet long and 32 feet wide with a net capacity of 135 tons, which, accord-

ing to the testimony of applicant's manager, is necessary to adequately handle the traffic.

Our decision in Application No. 10955, of even date, authorizing the South Shore Port Company to execute a Deed of Trust and to issue and sell \$100,000.00 of 7 per cent five-year notes, outlines in detail applicant's financial condition, hence it will be unnecessary to here again deal with that phase of the petition.

The service to be performed will consist, at the beginning, of three trips a week to Oakland and Alameda and this will make possible the delivery of tonnage early in the morning following the day of receipt at point of shipment, an arrangement not now possible when handled by truck and railroad. The service will be increased to one round trip daily as soon as the volume of the tonnage justifies. At the present time about 75 per cent of the traffic handled moves southbound and 25 per cent northbound. With Oakland and Alameda deliveries, it is hoped to increase the northbound traffic materially. It was stipulated no local traffic would be handled between San Francisco and Oakland.

There were witnesses in attendance, supporting the application, representing the Encinal Terminal Company of Alameda, the Terminal Companies of Oakland, a large automobile freight line, and the California Packing Corporation. The testimony of all of these interested parties was to the effect that recent development at the Alameda and Oakland water terminals had created a new situation, making necessary close connections with the boat lines operating on the inland waters with ocean-going vessels. The General Manager of the Encinal Terminal properties testified that Alameda would eventually have facilities patterned after those of the Bush Terminals in New York City; that at the present time there are 1500 feet of

berthing space, and that the second and third units, under construction, would enlarge the facilities to 2000 feet. It was shown there is a very large tonnage handled at all of the terminals, particularly commodities moving via inland water carriers and transferring to ocean-going vessels for transportation to all important world ports direct to the Orient and through the Panama Canal.

The Oakland-San Jose Transportation Company, operating auto truck service between Oakland and San Jose and intermediate points, protested the application, alleging that because the boat rates will be lower than those now being assessed by the truck company revenues would be affected, making a continual and satisfactory service more difficult. But protestant does not operate to Alameda and the new service here proposed will furnish concentrated movements of heavy tonnage intended for immediate transshipment at the Oakland and Alameda Terminals. We believe the objections of a truck company in a situation of this kind has but little merit.

Upon consideration of the record we are of the opinion and find as a fact that public convenience and necessity require the establishment of a service by vessel between Oakland-Alameda, on the one hand, and Port South Shore on the other, in connection with the service performed by automobiles between Port South Shore and other points located in Santa Clara County now served by applicant, as set forth in the petition, and that a certificate should be granted.

In granting this application we are not authorizing any local service between San Francisco and Oakland-Alameda, neither are we passing upon the reasonableness of the proposed rates.

