

Decision No. 15415-

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application)
of S. A. GATES for certificate of)
public convenience and necessity ()
to operate a milk and supply serv-)
ice between Antelope Valley points ()
and the City of Los Angeles.)

APPLICATION NO. 11232

ORIGINAL

Willis I. Morrison, for Applicant.

BY THE COMMISSION:

O P I N I O N

S. A. Gates has made application to the Railroad Commission for a certificate of public convenience and necessity to operate a milk and supply service between Antelope Valley points and the city of Los Angeles. Applicant includes in Antelope Valley points all points north of Newhall Tunnel, including Bouquet Canyon.

Applicant succeeded to the service for the transportation of milk from Antelope Valley points to Los Angeles, and a back haul of dairy feed, formerly provided by Walter Kiehofer. Under the exemption provided for by the amendment of 1923 to Section 5 of the Auto Transportation Act, applicant herein established a general hauling not only of milk to Los Angeles, with a return haul of farm necessities and dairy supplies, but also of other commodities. The commodities included lumber, hardware, acetylene tanks, ammonia

vats, and such other articles as are used in the business of dairy ranching.

Applicant now serves about 20 dairies in the area proposed, with a minimum of 120 cans of milk daily, which is transported a distance of 90 miles to creameries at Los Angeles and Burbank. As applicant had not included Burbank in his application, although it was included in his route, permission was given him to amend for delivery to Burbank, it appearing from the testimony that two customers sell their milk to the Danish Creamery at this point and that there is no other way to have delivery made by auto truck.

Applicant proposes two classes of rates - one for a pick-up service for milk at ranches and transportation to Los Angeles, and another for the pick-up at roadside or at Lancaster, at lesser rates. The rate structure offered for freight movement is between these two. In other words, the consignee or shipper in the Antelope Valley has the choice of receiving shipment at the roadside and transporting it to his ranch, or vice versa; or he may, at the higher rate, have it delivered or received at his ranch by the carrier. Applicant proposes a local rate between Lancaster and Antelope Valley points of $7\frac{1}{2}$ cents per hundred pounds. The service and rate structure have been in operation for some months and appear satisfactory to the patrons.

Applicant possesses four trucks of ample capacity to perform the main service proposed.

Applicant also proposes the transportation of freight between Bouquet Canyon and Los Angeles. In the collection of milk, applicant has been giving frequent service in Bouquet Canyon on farm commodities or necessities, and proposes to en-

large the business by general freight hauling. No freight service of any kind is now maintained into this district. While there is no proof presented from any resident of Bouquet Canyon as to the need, and the only witness was the applicant himself, it appears that there is no good reason why applicant should not make freight service available incidental to his milk collections and deliveries, as he testified that demand has been made upon him for freight service and he is willing to accommodate the persons seeking such transportation.

We do not find in the record sufficient support for applicant's request that he be allowed to perform transportation of all freight between Los Angeles and points named in his application. Applicant proposes to carry general freight to Lancaster or Saugus, and to distribute the same to any other point, and to include all articles or commodities that a dairyman might require transported. The service primarily is one for the transportation of milk and is of particular convenience to dairies. There is no proof that the service existing by rail and truck is now inadequate. A limitation should be placed upon the service proposed by applicant, permitting him to transport milk and other dairy products from the ranches only to creameries at Burbank and Los Angeles, and to transport only articles and commodities necessary in the business of dairying, and consigned only to dairymen who ship milk by applicant, including feed, acetylene tanks, ammonia vats, utensils and machinery used exclusively in dairying. This limitation should not affect the service proposed by applicant in Bouquet Canyon, which is to be general freight hauling.

Willis I. Morrison, formerly judge of the Superior Court of Los Angeles County, who maintains an extensive dairy-

ing ranch in Antelope Valley, testified in behalf of applicant, and incidentally in behalf of the membership of the Antelope Valley Milk Producers' Association. Individual members of this Association, and others not belonging to it, who have used applicant's service, to the number of twenty, joined in a petition to the Commission to grant the certificate applied for. (Applicant's Exhibit "A").

According to Judge Morrison, dairying is the important industry in the Antelope Valley and is prosperous because of two essentials - the great local production of superior alfalfa, and efficient transportation to the Los Angeles market. In his judgment, applicant herein has conducted an efficient and frictionless service, entirely satisfactory to the milk producers.

No protest was made by any other carrier, and no complaint from any milk producer affected has been received.

We therefore find as a fact, upon the record herein, that public convenience and necessity require the establishment of the service proposed by applicant herein, except as limited in the order, and an order accordingly will be entered.

O R D E R

S. A. Gates having made application to the Railroad Commission for a certificate of public convenience and necessity to operate a milk and supply service between Antelope Valley points and the city of Los Angeles, a public hearing having been held, the matter having been duly submitted and now being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the

operation of a service as proposed by applicant herein for the transportation of milk and other dairy products from points in the Antelope Valley south of Rosemond, including Rosemond, and from Saugus and Newhall, to Burbank and Los Angeles, and for the return transportation of articles and commodities necessary for the business of dairying and consigned only to dairymen shipping from the above-mentioned points over applicant's service to the city of Los Angeles, including feed, dairy supplies, acetylene tanks, ammonia vats, utensils and machinery used exclusively in dairying, and also for the general transportation of freight of all classes, upon demand, between Bouquet Canyon and Los Angeles, over and along the following route:

By main county highways and connecting roads to the State highway, thence southerly by State highway, via Mint Canyon or Bouquet Canyon, to Saugus and Newhall, and via San Fernando Road to Burbank and Los Angeles; and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted, subject to the following conditions:

- I. Applicant shall, within twenty (20) days from the date hereof, file with this Commission his written acceptance of the certificate herein granted; shall file, in duplicate, time schedules and tariff of rates identical with those as set forth in Exhibit attached to the application herein within a period of not to exceed twenty (20) days from date hereof; and shall commence operation of the service herein authorized within a period of not to exceed thirty (30) days from date hereof.
- II. The rights and privileges herein authorized may not be sold, leased, transferred nor assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured.

III. No vehicle may be operated by applicant under the authority hereby granted unless such vehicle is owned or is leased by applicant under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 19th
day of September 1925.

H. T. Boardman

George D. Quinn

Leon Whitall
Commissioners.