Decision No. 20455

BEFORE THE RAILPOAD COMMISSION OF THE STATE OF CALLFORNIA

In the Matter of the Application of OSCAR SCHNEIDER, WAITER SCHNEIDER and FRANK SCHNEIDER, doing business under the firm name and style of Schneider Bros., for a certificate of public convenience and necessity to operate an auto truck line for the transportation of property, for compensation and as a common carrier, between Sacramento and Colfax, California, and intermediate points, via Roseville and Auburn, California, in conjunction with and as an extension of the service rendered by applicants between Sacramento and Auburn, California, and intermediate points.

Application No.12522

Sanborn & Rochl and De Lancey C. Smith, by A. B. Rochl, for Applicants, W. S. Johnson, for Southern Pacific Company, Protestant, Edward Stern, for American Railway Express Company, Protestant, Edson Abel, for Nevada County Farm Bureau and California Farm Bureau Federation, Protestants, Nilon & Nilon, by Frank M. Nilon, for Nevada County Narrow Gauge Railroad Company, Empire Mines and Investment Company, North Star Mines Company, Idaho-Maryland Mines Company, Brunswick Consolidated Gold Mines Company, Original 16 to 1 Mining Company, Marchy Mines Company, Western Consolidated Mines, Inc., Artic Trustees, formerly Artic Mining & Power Company, Protestants.

BY THE COMMISSION -

OPINION

Oscar Schneider, Walter Schneider and Frank Schneider, copartners doing business under the firm name and style of Schneider Bros., have petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by them of an auto truck service as a common carrier of freight, for compensation, between Sacramento and Colfax and intermediate points, and to operate such service as a part of and in conjunction with applicants' present operative rights between Sacramento and Auburn and intermediate points.

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Public hearings on this application were conducted by Examiner Handford at Auburn and Colfax, the matter was duly submitted and is now ready for decision.

Applicants propose to charge rates in accordance with a schedule filed herein as "Amended Exhibit 'A' "; to operate one round trip, daily except Sunday, with such additional trips as may be justified by the demands of traffic; to use as equipment two, model 51, White Special trucks, each of three tons capacity and equipped with pneumatic tires, together with such other equipment as now in service between Sacramento and Auburn or to add other equipment which may be necessary to properly care for the public requirements.

Applicants rely as justification for the granting of the desired certificate upon the following alleged facts:

1. That there is no auto truck transportation company rendering a through service, for the transportation of freight, between Sacramento and Colfax and intermediate points at the present time, and the service herein proposed by applicants between said points will be more expeditious than is now being rendered by the rail line.

2. That there is a continued and insistent demand for the extension of applicants' service from Auburn to Colfax to serve the town of Colfax, and the shippers and receivers of freight therein, as well as the intermediate towns between Auburn and Colfax along the route over which applicants propose to operate.

3. That investigation discloses there is a considerable volume of traffic which can be moved between the points, and over the route, over which applicants herein propose to operate, and that the volume of said traffic will be materially increased by the establishment of the auto truck service herein proposed.

A. L. Schneider, employed as manager for applicants, testified regarding investigation made of the traffic possibilities of the proposed extension; that all prospective shippers and receivers of freight had been interviewed resulting in witness estimating a tonnage of 2000 tons for the first year of operation yielding gross revenue of \$13,000; and that the present investment of applicants was approximately \$85,178 consisting of ten trucks,

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six trailers, garage, tools and machinery, and interest in a joint freight station.

Nineteen witnesses testified in behalf of applicant. These witnesses resided at Weimar, Applegate, Bowman, Colfax, Clipper Gap and adjacent to Weimar and Bowman.

Four of the witnesses were poultry farmers, eight orchardists and fruit growers, one grocery, one general merchant, and five auto camp or service station proprietors. The total annual tonnage anticipated by these witnesses aggregates 685 tons. Five of the poultry producers now haul their eggs to Auburn for shipment over applicants' present operative line, as do two fruit growers. One fruit grower now hauls his fruit to Newcastle for grading and packing, and would use the service of applicants, were same to be authorized, instead of his own facilities.

The granting of the application is endorsed by the Bowman Farm Center by a resolution dated April 30, 1928; and by a petition signed by 64 residents of Colfax, Bowman, Weimar, Applegate, Clipper Gap, and points along the proposed route between Auburn and Colfax. The manager of applicants estimates an annual tonnago of 658 tons to be available from the signers of the petition.

The granting of the application was actively protested by Southern Pacific Company and the American Railway Express Company.

The service of the Southern Pacific Company provides for freight leaving Sacramento for Colfax, daily except Sunday, being received at Sacramento until 4:00 P.M., departing at about 7:00 P.M., arriving Colfax at approximately 2:00 A.M. and being ready for delivery at 8:00 A.M.

Bowman, Applegate and New England Mills, all non-agency stations, have tri-weekly service for four months of the year and daily (except Sunday) during the remaining eight months.

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Eighteen witnesses testified in behalf of protestants, sixteen residing at Colfax, one at Weimar, and one at Applegate. Sixteen of these witnesses were merchants and business men at Colfax, all of whom testified as to their use of the existing rail and express facilities, that their needs were satisfactorily cared for, and that there was no necessity for the proposed service. A fruit shipper at Weimar testified that he shipped fruit from the station of New England Mills to Colfax for consolidation with eastern shipments from that point, and that he used his own truck for transporting feed from Colfax to his ranch. A general merchant at Applegate testified that he had no need for the proposed service, the facilities of the railroad and express companies having satisfactorily cared for his requirements, his place of business being located near the railroad station at West Applegate.

American Railway Express Company transports express on three eastbound and four westbound trains serving all the railroad stations on the route herein proposed by applicants, and has additional service available on one additional train eastbound to Colfax and one additional eastbound train to Auburn and Colfax. Two eastbound and one westbound train are night trains operating through this district at hours later than ordinary business would be available.

Colfax Fruit Growers Association by its resolution under date January 28, 1928, protests the granting of the application on the basis that the present service to Grass Valley and Nevada City as furnished by Southern Pacific Company and Nevada County Narrow Gauge Railroad Company is entirely satisfactory and adequate, and that any duplication of service would cause a decrease in the revenue of Nevada County Narrow Gauge Railroad. A similar resolution was passed by the Colfax-Weimar Farm Bureau Center under date February 15, 1928. Applicants do not propose to render service to either Grass Valley or Nevada City, Colfax being the northerly terminal of the extension herein requested.

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The Board of Supervisors of Placer County, by an undated resolution, and the Board of Trustees of the City of Colfax, by a resolution passed on July 2, 1928, protest the granting of the application.

We have fully considered the evidence and exhibits herein. The rates proposed by applicants are higher than those of protestant Southern Pacific Company, and approximately the same as the rates of protestant American Railway Express Company. The record shows no justification for the extension of applicants' line to Colfax, such city, according to the evidence of protestants' witnesses being now adequately and satisfactorily served by the Southern Pacific Company's freight service and by the American Railway Express Company.

As to the intermediate territory between Auburn and Colfax, agency stations are not maintained by the Southern Pacific Company at Bowman, Clipper Cap, Applogate or New England Mills, although an agent at Bowman is maintained by the American Railway Express Company during the fruit shipping season. The absence of agoncy facilities necessitates the prepayment of shipments and the delivery of shipments at these stations at owner's rick. While some convenience would be afforded shippors and consigness in the intermediate territory on the proposed route, we are of the opinion that the volume of business offering is not sufficient to justify the authorization of a competitive service. Ne therefore conclude and horeby find as a fact that public convenience and necessity do not require the operation by applicants of an auto truck service between Auburn and Colfax and intermedlate points as an extension of their present authorized certificate between Auburn and Sacramento.

ORDER

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Public hearings having been hold on the above entitled application, the matter having been duly submitted, the Commission being now fully advised and bacing its order on the conclusion and finding of fact as appearing in the opinion which precedes this order,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necocolity do not require the operation by Oscar Schneider, Walter Schneider and Frank Schneider, co-partners doing business under the firm name and style of Schneider Bros., of an automobile truck line as a common carrier of property for compensation, between Auburn and Colfax and intermediate points as an extension of and supplementary to applicants' presently authorized rights between Sacramente and Auburn and intermediate points, and

IT IS MEREBY ORDERED that this application be and the same hereby is denied.

For all purposes, other than hereinabove stated, the effective date of this order is hereby fixed as twenty (20) days from the date hereof.

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