Decision No. 28746 .

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of CECIL VERNON HILL, doing business as Hill Transporting Company for a certificate of public convenience and necessity to operate a motor truck freight service between Sacramento and Cottonwood, Anderson and Redding.

ORIGINAL

Application No. 15206.

Baker & Ross, by Albert F. Ross, for Applicant.

Edward Stern for American Railway Express

Company, Protestant.

W. S. Johnston for Southern Pacific Company, Protestant.

BY THE COMMISSION:

## OPINION

This is an application by Cecil Vernon Hill for a certificate of public convenience and necessity to operate a motor truck freight service between Sacramento and Cottonwood, Anderson and Redding, with no local service between Sacramento and Cottonwood nor between Redding, Anderson and Cottonwood.

It is proposed to operate a tri-weekly service, leaving Sacramento at eleven o'clock p. m. and arriving at Cottonwood the following day at 6:30 a. m., at Anderson at 8:30 a. m., and at Redding at 10:15 a. m. On southbound trips the hour of departure from Redding is fixed at 4:00 p. m., from Anderson at 5:00 p. m., and from Cottonwood at 6:15 p. m.,

arriving in Sacramento at two o'clock the following morning. A flat rate of 50 cents per hundred pounds on northbound shipments is proposed, with no differential as between the towns of Redding, Anderson and Cottonwood on shipments destined to, or coming from, Sacramento. The equipment proposed to be used is described as "one Fageol 15-ton truck, with fireproof body". A public hearing was held before Exeminer Gennon at Redding on January 15th and 16th. Applicant, testifying in his own behalf, stated that he is conducting a local trucking business in Redding, serving some 62 merchants, and that there appeared to be a demand for the proposed service due to the alleged present high rail freight rates. There would be no pick-up or delivery service in Sacramento, but all shipments would be collected at a central depot. On the other hand, a pick-up and delivery service would be maintained in Redding, Anderson and Cottonwood, but would extend only to business houses. Witness believed he would obtain on each northbound trip approximately ten tons of freight from present truck lines and five tons from the rail line, consisting of sugar, groceries and other commodities. He appeared to have no accurate knowledge as to prospective shipments southbound, but was of the opinion that from the three points enumerated it might aggregate four tons per trip, to be taken from rail and truck lines. The purpose of the lesser rate on southbound shipments was to encourage farmers in the transportation of their cream and like products. Applicant further testified he had computed the - 2 -

operating cost of the proposed service at 21 cents per mile, and that he was in a position to finance his operations. As to possible revenue to be derived his testimony was hazy and uncertain, but it was developed on cross examination that the anticipated revenue for each round trip would scarcely approximate the operating expenses according to applicant's own figures.

Of the thirteen witnesses produced by applicant in support of the proposal twelve were Redding merchants, whose testimony in general indicated a desire for quicker and cheaper transportation. Many of them admitted that the rail freight and express service was satisfactory, so much so in fact, that they would divide their business between applicant and the rail line.

The application was protested by Southern Pacific

The application was protested by Southern Pacific Company and American Railway Express Company, on whose behalf appeared several witnesses who testified that the present service was satisfactory.

An operating witness for Southern Pacific Company testified that his company ran a merchandise car from Sacramento to Redding, leaving Sacramento daily at 7:30 p.m. and arriving at Redding the following morning in time to unload freight at 9:00 o'clock. Shipments destined for Cottonwood and Anderson are likewise brought up on this car, set out at Red Bluff, and picked up by another train which brings them to Cottonwood at 1:10 p.m. and to Anderson at 2:20 p. m. of the same day on which delivery is made to Redding.

The route agent for American Railway Express Company testified that a free collection and delivery service is

maintained at Sacramento and Redding and that he has had no complaint against his company's service in nine months.

We have given careful consideration to the evidence in this proceeding and are of the opinion, and hereby find as a fact, that public convenience and necessity do not require the establishment of the proposed service. There seems to be no question as to the adequacy of the present service both freight and express. Many of the applicant's own witnesses declared they would divide their business, half and half, between the railroad and the applicant, and in all emergency shipments would still continue to ship by railway express. The Southern Pacific Company offers a daily service, as against a tri-weekly service proposed by applicant, and while truck service might effect a slightly faster delivery on perishables, the evidence indicates that shippers at Redding, Anderson and Cottonwood are, as a rule, satisfied with the present service and see no need for additional facilities.

## ORDER

A public hearing having been held in the above entitled application, the matter being submitted and the Commission being fully advised in the premises,

IT IS HEREBY ORDERED that the application of Cecil Vernon Hill be, and the same is hereby denied.

Dated at San Francisco, California, this 4/1/

of Melineary, 1929.

Don Owkerself

Commissioners.