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Decision No. 22575

**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
UNITED MOTOR TRANSPORT LINES, INC.,  
for Authority to Abandon Operation  
of an Auto-Truck Line for the  
Transportation of Property, for Com-  
pensation, between Auburn and Higgins  
Corner, and Intermediate Points.

Application No. 16,507

NEVADA COUNTY NARROW GAUGE RAILROAD  
COMPANY, a corporation, SOUTHERN PACIFIC  
COMPANY, a corporation, and RAILWAY EX-  
PRESS AGENCY, INC., a corporation,  
Complainants,

vs.

UNITED MOTOR TRANSPORT LINES, INC.,  
a corporation, OSCAR SCNEIDER, WALTER  
SCNEIDER and FRANK SCNEIDER, in-  
dividually and as copartners doing  
business under the firm name and style  
of SCNEIDER BROS., C. E. BARKER, E. E.  
WINTERTON, FIRST DOE and SECOND DOE,  
Defendants.

Case No. 2809

In the Matter of the Investigation upon  
the Commission's own motion into the  
rates, rules, regulations, charges,  
classifications, practices, contracts,  
operations and schedules, or any of them,  
of OSCAR SCNEIDER, WALTER SCNEIDER,  
FRANK SCNEIDER and A. L. SCNEIDER, doing  
business under the firm name and style of  
SCNEIDER BROS. or as individuals and of  
C. E. BARKER and E. E. WINTERTON, operating  
trucking service between points in the  
State of California.

Case No. 2822

In the Matter of the Investigation upon  
the Commission's own motion into the rates,  
rules, regulations, charges, classifications,  
practices, contracts, operations and sched-  
ules or any of them of UNITED MOTOR TRANS-  
PORT LINES, Inc., operating a common carrier  
trucking service between points in the State  
of California.

Case No. 2824

Bacigalupi, Sikus and Salinger by Frank B. Austin  
for Nevada County Narrow Gauge Railway,  
Complainant in Case No. 2809.

E. W. Hobbs, for Southern Pacific Company,  
Complainant in Case No. 2809.

Sanborn, Roehl, Smith & Brookman, by A. B. Roehl,  
for Applicant in Appl. No. 16,507, and Defendants  
in Cases Nos. 2809, 2822 and 2824.

Edward Stern for Railway Express Agency, Inc.,  
Complainant in Case No. 2809.

BY THE COMMISSION:

### O P I N I O N

The above entitled proceedings were called for hearing before Examiner Williams at Sacramento, May 26th, at which time, by stipulation all parties in Cases Nos. 2809, 2822 and 2824, they were continued for further hearing until August 7th.

On behalf of complainants in Case No. 2809, it was stipulated that if the Commission found reason to grant the application of the United Motor Transport Lines, Inc., to discontinue truck service between Auburn and Higgins Corner, each complainant would be willing to dismiss its action. Accordingly, the only hearing conducted was that upon the application to permit the abandonment of this particular service and at the conclusion of applicant's testimony the matter was submitted for action by the Commission.

The only witness introduced by applicant was A. L. Schneider, its Secretary and Manager. He testified that the service that has been given between Auburn and Higgins Corner has been a through service from Sacramento leaving at 2:00 a.m. each day, arriving at 5:00 a.m. at Auburn, thence to Higgins Corner arriving at 6:30 a.m. and reversing the route, leaving Higgins Corner at 8:00 a.m. and arriving at Sacramento at 11:00 a.m. He further testified that the cost of this operation has been .288¢ per mile and cited the expense for March, 1930, amounting to \$799.83 as typical of the six months prior to hearing. On this basis the cost for the six months was \$4,678.98, and the revenue received from the entire operation was \$2,640.00, leaving an operating loss of \$1,938.98.

Another computation presented by the witness, based on .288¢ cost per mile, between Auburn and Higgins Corner, a distance of only twenty-four (24) miles indicated operating loss of \$1,036.00 for the six months period. The witness testified that the operation presented no hope of improvement financially. No other testimony was submitted by applicants and no testimony was introduced by any other party.

While it is apparent that the per mileage cost assumed by applicants appears unusually high it is brought about by allocation of the entire cost of the United Motor Transport Lines, Inc., over its whole system on a per truck basis and for that reason is perhaps higher than should be expected from an operation between Auburn and Higgins Corner. However, even reducing the cost of operation to what might be regarded as normal figures still leaves the volume of revenue and the expense at considerable disparity and enough to make a loss sufficient to justify discontinuance of the service.

The situation as presented, however, has other aspects which should be considered. In Case No. 2809, the railroads and the Railway Express Agency alleged illegal operation between Auburn and Grass Valley and Nevada City by applicant herein by an extension of the service from Higgins Corner through unauthorized carriers to the serious injury of the rail lines. In order to amplify the jurisdiction of the Commission, Cases Nos. 2822 and 2824 were instituted paralleling the proceeding in Case No. 2809. These matters were kept upon the calendar for several months before the United Motor Transport Lines, Inc. filed its application to abandon service between Auburn and Higgins Corner as a method of ending the proceedings instituted against it and two individuals. The present application, therefore, is a means of applicants to avoid the necessity of a trial of the issues involved in the complaint and in which complainants join, and to

remove the occasion of any further complaint from the Nevada Narrow Gauge and other rail carriers. If the application herein is granted applicant will have no further certificate rights north of Auburn and possibility of improper use of the certificate right now in its possession to connect with unauthorized carriers to Grass Valley and Nevada City will have been removed.

We are of the opinion that public interest will not be injured by permitting applicant to abandon the service between Auburn and Higgins Corner. In view of this abandonment there appears reason to dismiss the other proceedings consolidated with the application and the order will so provide.

#### O R D E R

United Motor Transport Lines, Inc., having made application to abandon automotive service for freight between Auburn and Higgins Corner, as authorized by Decision No. 21123, on Application No. 11332, to Oscar, Walter and Frank Schneider and subsequently transferred to applicant herein by Decision No. 21373, on Application No. 15746, a public hearing having been held, the matter having been duly submitted and now being ready for decision,

IT IS HEREBY ORDERED, that applicant United Motor Transport Lines, Inc., be and it is hereby authorized to discontinue said service within ten (10) days after date hereof, and that any or

all rights to conduct such operations between Auburn and Higgins Corner, as contained in Decisions Nos. 21123 and 21373, or otherwise, be, and the same hereby are revoked and annulled.

IT IS FURTHER ORDERED that United Motor Transport Lines, Inc., shall immediately file supplements to its tariffs and time schedules on file in its name with the Railroad Commission, said supplement to withdraw and cancel said tariffs and time schedules relating to any operation between Auburn and Higgins Corner.

IT IS HEREBY FURTHER ORDERED that Cases Nos. 2809, 2822 and 2824, as entitled above, be, and the same hereby are dismissed.

Dated at San Francisco, California, this 24<sup>th</sup> day of June, 1930.

*C. Deaver*  
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Commissioners.