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Decision No. 10466.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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ORIGINAL

In the Matter of the Application of  
Hearne's Auto Truck by Raymond J. Hearne,  
proprietor, for permission to extend  
service, decrease rates, increase rates  
and put into effect new time table.

: Application No. 7535

Albert Nelson for applicant.  
E. J. Dillon for John Bardin, protestant.

BY THE COMMISSION.

O P I N I O N

Raymond J. Hearne, doing business under the name of "Hearne's Auto Truck," has petitioned the Railroad Commission for an order declaring the public convenience and necessity require the operation by him of an automobile truck service as a common carrier of freight between San Luis Obispo and Arroyo Grande, serving Pismo and Oceano and intermediate points, together with authority to decrease certain rates and increase a particular rate now in effect on applicant's present operations between San Luis Obispo and Arroyo Grande.

A public hearing on this application was conducted before Examiner Satterwhite at San Luis Obispo on April 15th, 1922, at which time the matter was submitted and is now ready for decision.

Applicant proposes to charge rates and to operate on a time schedule in accordance with Exhibits "A" and "B" attached to said application.

Applicant is now an authorized common carrier of freight between the above-named terminals, via Pismo only, by reason of the fact that his freight operations have been carried on continuously in good faith ever since and including May 1st, 1917. The authorization of this proposed service will be an extension of applicant's service to Oceano as an intermediate point, and will permit applicant to operate an alternative route in his operations between Pismo and Arroyo Grande.

John Bardin, who operates an authorized freight service between Oceano and Arroyo Grande, appeared in opposition to the application, but was eliminated by stipulation at the hearing to the effect that applicant would not carry any freight locally between Oceano and Arroyo Grande. No other protestants appeared in opposition to the granting of this application.

Applicant testified in his own behalf and called other witnesses in support of the application. Oceano, with a population of about three hundred, is located on the main line of the Southern Pacific Railroad about two and one-half miles south of Pismo and about the same distance southwesterly from Arroyo Grande. The testimony shows that there are about eight or ten retail stores in this community, which include two grocery stores and a lumber and feed yard, and that these local merchants and business men do most of their buying from the dealers at San Luis Obispo, and all of them desire this proposed service. Oceano is located in a farming district, and the farmers from time to time ship their poultry, vegetables, fruits, and dairy products into San Luis Obispo, and this proposed service would afford them frequent and direct transportation facilities. The record shows that the decreases in rates which applicant desires to put into effect will amount to about 20 per cent. reduction in his present existing rates, and that applicant is

making these decreases in response to the request of many of his patrons and with the belief that these decreased rates will attract an increased patronage. The testimony shows that the only rate proposed to be increased is the minimum charge on soda water from San Luis Obispo to and from Arroyo Grande, and this is a raise from 25¢ to 35¢. It appears that more labor and time is required in handling soda water, and that this particular increase is asked as a result of a clerical error made at the time applicant's first rate schedule was filed with this Commission, which he intended to fix at 35¢ as a minimum charge. A study of the proposed rate schedule shows that the decreases are, in the main, upon groceries and staple food stuffs. We are of the opinion that the proposed decreases should be permitted, and that the proposed minimum rate increase on soda water is reasonable and should be allowed.

After a careful consideration of all the evidence, we are of the opinion and find as a fact that the public convenience and necessity require the proposed extension of applicant's service, and the application should be granted.

#### O R D E R

A public hearing having been held on the above-named application, the matter having been submitted, and being now ready for decision,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the operation by Raymond J. Hearne, under the name "Hearne's Auto Truck," of an automobile truck service, as a common carrier of freight, between San Luis Obispo and Arroyo Grande, serving Pismo and Oceano and intermediate points,

Provided, however; that applicant shall carry no freight locally between Oceano and Arroyo Grande,

Provided further; that the operative rights and privileges hereby established may not be transferred, leased, sold nor assigned, nor the said service abandoned unless the written consent of the Railroad Commission thereto has first been procured, and

Provided further; that no vehicle may be operated in said service unless said vehicle is owned by the applicant herein or is leased by said applicant under a contract or agreement satisfactory to the Railroad Commission.

APPLICANT IS HEREBY ORDERED AND AUTHORIZED to file, within twenty (20) days from the date hereof, with the Railroad Commission his schedule and tariffs covering said proposed service, which shall be in addition to the proposed schedule and tariffs accompanying the application, and shall set forth the date upon which the operation of the line hereby authorized shall commence, which date shall be within ninety (90) days from date hereof, unless time to begin operation is extended by formal supplemental order.

Dated at San Francisco, California, this 16<sup>th</sup> day of May, 1922.

W. B. Brundage  
David M. Martin  
W. J. Pennington  
Commissioners.