

ORIGINAL

Decision No. 7064.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of
Pala Verde and Imperial Valley Trans-
portation Company, for certificate of
public convenience and necessity to
operate auto freight truck service
between Los Angeles, and Brawley,
Imperial, El Centro, and Blythe, Calif-
ornia, and intermediate points.)
Application
Number 5107.

H. L. Bortell, for Applicant.

M. W. Read and C. K. Adams, for United States
Railroad Administration; The Atchison,
Topeka and Santa Fe Railroad; Protestant.

Harry T. Hennessey for United States Railroad
Administration; Southern Pacific Railroad,
Protestant.

M. Thompson for American Railway Express,
Protestant.

A. E. Warmington, for California Southern
Railroad, Protestant.

M. Kagari se, for Keystone Express, Protestant.

BY THE COMMISSION:

ORDER

H. L. BOUTELL and H. S. FUQUA, partners in business
under the firm name and style of Pala Verde and Imperial Valley
Transportation Company, have petitioned the Railroad Commission
for an order declaring that public convenience and necessity re-

quire the operation by them of an auto freight truck line between Los Angeles, Beaumont, Imperial, El Centro, Blythe and intermediate points.

A public hearing on this application was conducted by Examiner Handford at Los Angeles on December 23, 1919, the matter was duly submitted and is now ready for decision.

Applicants propose to charge rates in accordance with a schedule marked exhibit "A" and attached to the application in this proceeding and to operate on a schedule of one round trip daily, except Sundays and holidays, using as equipment two Packard trucks, six ton capacity, with six ton trailers between Los Angeles and Coachella and three Packard trucks, two ton capacity between Coachella, Blythe and Imperial Valley points.

Applicants rely, as justification for the granting of a certificate of public convenience and necessity over the route herein sought, upon the alleged fact that numerous requests have been received for service to and from Imperial and Pala Verde points and allege, by reason of the truck service, deliveries may be made at all destinations during the morning hours of the second day and that this expedited service, when compared with the alleged time required on the railroads on less than car load business of from seven to ten days between Los Angeles and Blythe and from four to five days between Imperial Valley points and Los Angeles, will meet the demands of the public for an expedited service over the routes herein proposed. Witnesses, on behalf of applicant, testified as to conditions existing at Coachella, Thermal and Mecca. The President of the Chamber of Commerce of Coachella testified that the residents and merchants of such community would welcome the establishment of a truck line to Los

Angeles alleging that considerable trouble has been occasioned by reason of delayed shipments and that many commodities, formerly transported by less than car load freight, now are handled by express and that the shippers of Coachella and the adjacent communities would be able by the expedited service to market many of their products in Los Angeles for which there is at present no opportunity for sale. The Secretary of the Board of Trade of Thermal testified that the need existed for a truck service and that the territory between Thermal and Mecca produces a considerable tonnage of vegetables and similar products, the better grades of such products being shipped east but the grades not suitable for the eastern market could be disposed of in the Los Angeles market provided that service, such as is offered by applicant herein, was available to the shippers and producers in such section. Complaint exists in the communities above mentioned regarding the slow deliveries of less than car load freight between Los Angeles, Thermal, Mecca and Coachella.

The granting of this application is protested by the United States Railroad Administration on behalf of its lessors, the Southern Pacific Railroad and the Atchison, Topeka and Santa Fe Railway; the American Railway Express; the California Southern Railroad Company; and the Keystone Express.

The Southern Pacific Railroad operates freight service between Beaumont and Niland for less than car load freight every other day; for Imperial Valley points service, daily except Sunday, in each direction.

The California Southern Railroad operating in the Pala Verde Valley are operating freight service, daily except Sunday, and claim to be furnishing a satisfactory and adequate service in

fact the only witness testifying for applicant as to conditions in the vicinity of Blythe and the Pala Verde Valley testified that the service on shipments, as rendered by the California Southern Railroad, was entirely satisfactory. This protestant claims that the operation of its line results in a deficit; there being about three months in the year in which practically no volume of freight is hauled although regular service is maintained that the residents of the Pala Verde Valley may receive proper accommodation. A through express car is operated to Blythe from Los Angeles and freight leaving Los Angeles arrives at Blythe on the second morning which is equivalent to the service offered by the applicant herein and it is further alleged that no car shortage has existed on the line of the California Southern Railroad and that additional service will be supplied at any time that the demands of the traffic will justify same. It is also alleged that a new extension of this line is about to be made to serve the new town of Ripley and the territory tributary thereto. This extension is being made, notwithstanding the great expense occasioned this protestant by reason of bad washouts which have occurred during the past year.

The rates proposed by the applicants between Los Angeles and Blythe are the same rates as the combination of rates of The Atchison, Topeka and Santa Fe Railway and the California Southern Railroad.

A witness for the American Railway Express testified as to the rates and service between Los Angeles and the points sought by applicants, such rates being higher in every instance than those proposed by applicants but the service, shipments

being handled on passenger trains, is quicker than that proposed by applicants whose service more closely approximates that handled by the railroads as less than car load freight. The comparison of the rates, as proposed by applicants, with the less than car load rates of the Southern Pacific Company indicates that the rates of the applicants are slightly higher than those of the Southern Pacific Railroad between Los Angeles and Beaumont, Banning, Whitewater, Palm Springs, Indio, Coachella, Mecca, Brawley, Imperial and El Centro and such higher rates may be justified in view of the fact that applicant contemplates store door pick-up and delivery within certain city limits at all points except Los Angeles; it being contemplated to establish a depot in Los Angeles at which point all shipments will originate and be delivered.

After careful consideration of all the evidence in this proceeding, we do not find that any showing has been made by applicants which would justify the granting of a certificate of public convenience and necessity between Los Angeles, Beaumont, Banning, San Bernardino, Blythe, Brawley, Imperial or El Centro. As to the territory between Los Angeles, Whitewater, Palm Springs, Indio, Coachella and Mecca: The present freight service three times per week in each direction evidently does not meet the requirements of the shippers and receivers of freight in such territory and the establishment of the proposed line may result in a sufficient volume of business being developed to justify its operation. The Commission can not, however, in the absence of affirmative testimony, authorize the establishment of a new carrier into districts regarding which there is no showing that adequate service does not already exist for the purpose of permitting an applicant to serve sufficient

territory and to make his operation profitable and the evidence before us in this proceeding does not indicate that the residents of the communities in the Pala Verde Valley or Imperial Valley will receive any better service by the proposed truck line or at as favorable rates as those now in effect on the lines of the rail carriers serving such communities. There is also no showing that there is any desire on the part of residents of Beaumont, Banning or San Bernardino for the establishment of additional service between Los Angeles and such points or from such points to the other territory for which certificate is desired.

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity requires the operation by E. L. Boutell and H. S. Fugua, as partners in business under the firm name and style of Pala Verde and Imperial Valley Transportation Company of an automobile truck line as a common carrier of freight between Los Angeles, Whitewater, Palm Springs, Indio, Coachella and Mecca, provided, however, that this certificate does not authorize the carriage of any freight locally between Los Angeles and Banning and intermediate points; through service between Los Angeles and the territory between Whitewater and Mecca being that hereby authorized. It is further provided that the rights and privileges hereby granted may not be transferred or assigned unless the written consent of the Railroad Commission to such transfer or assignment has first been secured.

IT IS HEREBY ORDERED that no vehicle may be operated under this certificate unless such vehicle is owned by the applicants herein or is leased by such applicants under a contract or agreement on a basis satisfactory to the Railroad Commission.

IT IS HEREBY FURTHER ORDERED that applicants herein shall, within ten days from the date of service of this order,

file a written acceptance of this certificate with
the Railroad Commission.

The Commission reserves the right to make such other
and further orders in this proceeding as to it may appear just
and proper or as, in its opinion, the public convenience and
necessity may demand.

Dated at San Francisco, California, this 27th day of
January, 1920.

Edwin O. Ely

W. H. Loveland

H. C. Brundage

James Martin

Commissioners.