

Decision No. 26134

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of
PACIFIC MOTOR TRUCKING COMPANY for
certificate of public convenience
and necessity for the transportation
of property by motor trucks under
contract for certain common carriers
between Felton and Boulder Creek and
stations intermediate thereto.

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) Application No. 18862.
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BY THE COMMISSION:

O P I N I O N

In this proceeding the Pacific Motor Trucking Company, a corporation, applies for a certificate of public convenience and necessity authorizing the operation of motor trucks for the distribution of freight and express between Felton and Boulder Creek and stations intermediate thereto, the tonnage to consist of freight and express moved on behalf of the Southern Pacific Company, the Railway Express Agency and the Pacific Motor Transport Company. Applicant proposes to handle only tonnage originated by these three common carrier agencies, and will enter into contracts with them. No tariffs will be published, and the services will not be available to the general public.

The equipment to be employed will consist of pneumatic tire trucks, or trucks and trailers, as may be necessary to accommodate the tonnage offered. In justification for the granting of the certificate of public convenience and necessity it is contended that there is no certificated truck operator between the points under consideration and that the less than carload tonnage

within this territory approximates a ton and a half per day. At the present time the Southern Pacific Company operates a train to Boulder Creek once a week, almost exclusively for the movement of less than carload freight. The carload traffic is handled on an average of once a month and it is the intention of the Southern Pacific Company, should the application be granted, to operate a freight train to Boulder Creek only when required to move carload freight. In lieu of the very meager freight train service now being performed, this applicant proposes to operate a truck service for the handling of less carload freight daily except Sundays during the season from May to September, and tri-weekly during the remainder of the year. The establishment of the freight truck services will greatly improve the tonnage movement between points in the territory involved, and will also result in large operating savings to the Southern Pacific Company.

We are in receipt of a Resolution passed by the San Lorenzo Valley Chamber of Commerce, which organization covers all of the territory involved in this proceeding, urging that the certificate be granted by reason of the fact that they are now without any regular or dependable freight services. The application was also endorsed by interested parties located at Felton, Ben Lomond, Brookdale and Boulder Creek.

Under date of June 5, 1933 by Decision No. 26017 in Application No. 18892 the Pacific Motor Transport Company was authorized to transfer to the Pacific Motor Trucking Company certain properties and operating rights and among the operating rights was the franchise covering the territory between San Jose, Watsonville and Santa Cruz. The instant proceeding will constitute an extension of route already operated by applicant.

This is a matter in which a public hearing is not neces-

sary. We are of the opinion and find that there is a public convenience and necessity for the proposed services and that the application should be granted.

The Pacific Motor Trucking Company is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state, which is not in any respect limited to the number of rights which may be given.

O R D E R

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by the Pacific Motor Trucking Company, a corporation, of an automobile trucking service between Felton and Boulder Creek, the property to be transported by applicant to be under contract with the certain common carriers Southern Pacific Company, Railway Express Agency and Pacific Motor Transport Company.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted, subject to the following conditions:

1. Operations under this certificate shall be rendered during periods of the year as shown in Exhibit "A" attached to and made part of the application.
2. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assign-

ment has first been secured.

Dated at San Francisco, California, this 10 day
of July, 1933.

C. C. Kearney
Leon Whiteley

W. B. Blum

COMMISSIONERS.