

Decision No. 26192.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
LAKE COUNTY FREIGHT TRANSPORTATION  
COMPANY for a certificate of public  
convenience and necessity to oper-  
ate automobile truck service for the  
transportation of freight, as a com-  
mon carrier, between San Francisco  
and Lake County points.

ORIGINAL

Application No. 18902.

- Harry A. Encell, for applicant.  
Roy G. Hillebrand, for Southern Pacific Company, North-  
western Pacific Railroad Company and Pacific Motor  
Transport Company.  
Clyde E. Brown, for San Francisco, Napa and Calistoga  
Railway and Valley (Napa) Bus Company.  
Guido de Ghetaldi, for Clear Lake Motor Drayage Company.  
S. B. Herrick, for The Herrick Company, franchise to  
Calistoga and Middletown and intervening point.  
A. M. Akins, holder of franchise Calistoga to Lower  
Lake.  
J. A. Keithly, holder of franchise Hopland to Lakeport  
and Kelseyville.  
P. C. Fredericksen, for C. F. Fredericksen & Sons.

BY THE COMMISSION:

O P I N I O N

By this application, as amended, M. S. Dodd, under the  
fictitious name of the Lake County Freight Transportation Company,  
seeks authority to establish a common carrier auto truck service  
for the transportation of freight between San Francisco and points  
in Lake County, the principal communities being Middletown, Cobb,  
Adams, Seiglers, Harbin, Lower Lake, Highlands, Austins, Clear Lake  
Park, Sulphur Bank, Clear Lake Oaks, Lucerne, Upper Lake, Lakeport,

Finley, Kelseyville and Lower Lake. It is not the intention to provide any service in the territory between San Francisco and south of Middletown.

Hearings were held at Lower Lake June 9th and at Lakeport on July 7th, 1933, before Examiner Geary, and the proceeding having been duly submitted is now ready for our opinion and order.

The rates sought to be charged are those set up in Exhibit "A" and are blanketed without regard to the distances traversed, the volume being in most cases 60 cents per 100 pounds, with some lower rates based on large quantity lots. The proposed schedule will be daily except Sundays and holidays, leaving San Francisco at 4 A.M. via the Southern Pacific Golden Gate Ferries. The estimated tonnage is expected to be about 2000 tons per year in each direction.

The granting of the application was protested by the existing transportation facilities, viz., Northwestern Pacific Railroad, San Francisco, Napa and Calistoga Railway, Pacific Greyhound Lines, Pacific Motor Transport Company, A. L. Bohm, The Herrick Company, C. F. Fredericksen & Sons, A. M. Akins, J. A. Keithly and the Clear Lake Motor Drayage Company.

The applicant owns fruit ranches in Lake County and moves the products in substantial volume by trucks to the San Francisco Bay communities for local consumption or for cold storage at San Francisco for reshipment. Applicant's main witness testified that there was no regular truck service between Lake County points and San Francisco and that the shipper had to depend upon unregulated or privately operated vehicles when a through movement without rehandling or breaking bulk was desired. Much of the high grade green fruit moves to transcontinental points

at rates of the same volume from the rail head points near the farms as are in effect from San Francisco, a fact stressed by shippers opposing the granting of the application. Applicant's supporting witnesses were in favor of the proposed services, principally for the reason that in the movement of the local package shipments they would be dealing direct with the one trucking organization performing a through service and making the pickups and deliveries direct without the intervention of second or third parties. Protestants' witnesses contended the territory was sufficiently well served and they were not favorable to the introduction of the new services which might result in the curtailment or discontinuance of facilities now being used.

The Lake County Chamber of Commerce, by a member witness, detailed the contents of a resolution opposing the granting of the application upon the grounds that the territory was adequately served by the existing certificated carriers operating in conjunction with the railroads.

The certificated services between San Francisco and the Lake County points via authorized common carriers are now performed through either Calistoga, the terminal of the San Francisco, Napa and Calistoga Railway, or via Hopland and Ukiah stations on the Northwestern Pacific. From Calistoga there are now four certificated common carrier truck lines: A. L. Bohn and The Herrick Company, serving Middletown, Seiglers and Adams Springs; Frederickson & Sons, serving Middletown, Lower Lake and Highlands; and A. M. Akins, serving Middletown, Lower Lake, Highlands and Clear Lake Oaks on the east side of Clear Lake, and Kelseyville, Finley and Lakeport on the west side of the lake. It will thus be seen that Middletown now has four certificated truck lines, Lower

Lake two, and Highlands two, operating through Calistoga. Should the application be authorized there would be a fifth line at Middletown and a third line at Lower Lake. The communities of Kelseyville, Finley and Lakeport are also served by the Keithly line, connecting with the Northwestern Pacific at Hopland. Inauguration of the new service would give these communities a third service. At Upper Lake and Lucerne one line, the Clear Lake Motor Drayage Company, now operates from Ukiah a service which would be duplicated by applicant's operations.

In addition to these truck operators the territory is served by the Pacific Greyhound Lines, carrying small package freight and express on their passenger busses, and the entire territory is served by the Pacific Motor Transport Company. This latter company performs a pickup and delivery similar to that proposed, and many of its rates are lower than those offered in the instant application. The record shows that the tonnage and revenue of the certificated operators have been steadily declining during the past few years, and that further encroachment into their territory would probably result in the abandonment of some of the local services.

There was testimony by the supporters of the application to the effect that the schedules through the rail heads, Calistoga, Hopland and Ukiah, were not entirely satisfactory to those sending fresh fruit to San Francisco. Protestants however demonstrated that the train schedules made San Francisco before 3 A.M. and that other schedules of a seasonal nature would be inaugurated to meet the fruit requirements. There was no controlling testimony to indicate that in any other respect the present services did not fully meet the requirements of the communities.

In deciding a similar case, Application No. 17640, Decision No. 25587, January 30, 1933, Louis E. Smith et al., we quoted from Decision No. 4674, Application 3159, Santa Clara Valley Auto Line (14 C.R.C. 118), a controlling decision. It will not be necessary to quote in full; the following will suffice:

"No person has a vested right to engage in a public utility service. The law looks not to the operator but to the convenience and necessity of the public and clearly contemplates that applications of this character shall be decided on the basis of this test alone and not on the basis of the desires or necessities of the operators. Operators may be permitted to enter the field only at such times and in such places and under such conditions as will best subserve the convenience and necessity of the public."

The record indicates that under the existing conditions and with the present certificated truck lines in the territory, public convenience and necessity do not require the operation by the applicant of the proposed service, and the application will therefore be denied.

O R D E R

Public hearings having been held on the above application and the matter submitted,

IT IS HEREBY ORDERED that the above entitled application be and the same is hereby denied.

Dated at San Francisco, California, this 31<sup>st</sup> day of July, 1933.

C. L. Lacey  
Leon A. White  
M. J. Carr  
W. B. Harris

Commissioners.