

Decision No. 28935

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
K. G. HARRIS, doing business as
Harris Drayage Company, for a certi-
ficate of public convenience and
necessity authorizing the operation
of an automotive common carrier
truck line for the transportation of
farm perishable products between
Rumsey and Esparto, on the one hand,
and San Francisco and Oakland, on the
other.

ORIGINAL

Application No. 20563.

Reginald L. Vaughan, for applicant.

CARR, Commissioner:

O P I N I O N

K. G. HARRIS, doing business as Harris Drayage Company, is a young man who lives at Esparto, owns a truck, and for some years has been collecting from farms and orchards lying in the valley between Esparto and Rumsey fresh fruits and vegetables and hauling them to Willows, from whence they have been trucked to the San Francisco and Oakland commission markets by the Willows Drayage Company. With the apparent acquiescence of the latter, Harris now seeks a limited certificate authorizing him "to pick up for transportation by truck to the San Francisco and Oakland commission markets farm perishable products on farms located one mile on either side of the highway extending from Rumsey to Esparto, via the communities of Guinda, Tancred, Brooks, Cadanassa and Capay, and also on farms located within a radius of four miles west, east and north and one and one-half miles south of the community of Esparto," but with no privilege "to pick up such products for transportation

or to deliver returning containers in any town or station or at any depot or loading shed located on said highway between Rumsey and Madison, including Rumsey and Madison" nor for the transportation of such perishables from farms to local canneries. He seeks no authority to transport products from the Bay Region to Esparto and vicinity except the return of empty containers.

A public hearing was had on June 25th.

No opposition was made to the granting of the application, the limitations to the proposal apparently satisfying the Southern Pacific Company and its affiliated transportation interests, they being the only agencies of transportation affected by the proposed service.

Several farmers from the Esparto-Rumsey region appeared as witnesses and testified to the need and necessity of the proposed service, which contemplates a pickup at the farms in the late afternoon and the delivery of the perishables to the Bay markets during the night. These farmers testified that the railroad service did not meet their needs, as perishables had to be at the depots by about two o'clock in the afternoon and as they could not reach the Monday markets by rail.

The applicant testified he had taken up with the various farmers the charges he proposes to make, which are expressed in the tariff attached to the application, and that the charges were agreeable to his prospective customers.

The record fully justifies the granting of the limited certificate sought.

K. G. HARRIS, doing business as Harris Drayage 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.

I recommend the following form of findings and order:

FINDINGS AND ORDER

A public hearing having been had on the above entitled application,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby finds that public convenience and necessity demand the establishment by K. G. HARRIS, doing business as Harris Drayage Company, of a service as a transportation company for the transportation by truck of fresh fruits and vegetables from farms located one mile on either side of the highway, extending from Rumsey to Esparto, via the communities of Guinda, Tancred, Brooks, Cadenessa and Capay, and also from farms located within a radius of four miles west, east and north and one and one-half miles south of the community of Esparto, to the commission markets at San Francisco and Oakland, and the return from San Francisco and Oakland of empty containers to such farms, but without the right to pick up for transportation such products or to deliver returning containers from any town or station or any depot or loading shed located on the highway between Rumsey and Madison, including Rumsey and Madison, and without the right to transport farm perishable products from such farms to local canneries, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same is hereby granted to K. G. HARRIS, doing business as Harris Drayage Company, subject to the following conditions:

1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
2. Applicant shall commence the service herein authorized within a period of not to exceed thirty (30) days from the effective date hereof, and shall file in triplicate and concurrently make effective on not less than ten days' notice to the Railroad Commission and the public a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application in so far as they conform to the certificate herein granted, or rates and rules satisfactory to the Railroad Commission.
3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than five days' notice to the Railroad Commission and the public, time schedules covering the service herein authorized in a form satisfactory to the Railroad Commission.
4. 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 assignment has first been obtained.
5. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order shall be ten (10) days from the date hereof.

The foregoing opinion, findings and order are hereby approved and ordered filed as the opinion, findings and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 19th day of June, 1936.

MB
Mr. A. C. ...
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...
 Commissioners.