Decision No. 29700

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PACIFIC MOTOR TRUCKING COMPANY for certificate of public convenience and necessity authorizing the extension, of its operative rights to Jackson, Sutter Creek and Amador City.

Application No. 21123

BY THE COMMISSION:

ORIGINAL

<u>OPINION</u>

By this application Pacific Motor Trucking Company seeks a certificate of public convenience and necessity to transport property as a highway common carrier between Martell, Jackson, Sutter Creek, Amador City and intermediate points as an extension and enlargement of its present operating right between Stockton and Martell.

Applicant further seeks authority to provide pickup and delivery service within one mile laterally of the highway between Martell on the one hand and Jackson on the other hand, also between Martell on the one hand and Sutter Creek and Amador City on the other hand. It is also the proposal of applicant to transport property in the custody of Pacific Motor Transport Company, Railway Express Agency, Inc. and other carriers of like class to and from the communities of Jackson, Sutter Creek and Amador City under tariff rates of such carriers and to also perform a pickup and delivery service with its-line-haul equipment at and/or between the communities of Jackson, Sutter Creek and Amador City

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within such pickup or delivery limits as are now or may hereafter be published in its own tariff or in the tariffs of the express carriers whose traffic it will transport.

In justification of the granting of the authority herein sought, applicant makes the following statement:

"In Application No. 19713, dated November 20th, 1934, applicant sought operative rights for the transportation of property between Martell, Jackson, Sutter Creek and Amador City so that it might itself perform distribution service instead of employing Piccardo Bros. for that purpose, but in Decision No. 28027 such rights were denied to applicant apparently because Piccardo Brothers protested and upon the grounds that Piccardo Brothers, so long as they were willing to do so, should be employed to perform such distribution service.

"Piccardo Brothers, now performing this distribution service for the rail and express companies serving said territory, desire to withdraw therefrom and will make no objection to the granting of the present application, as evidenced by letter, addressed to the Commission, attached hereto as Exhibit "B".

"The principal advantage to the public will be through the handling of through express traffic of Pacific Motor Transport Company and Railway Express Agency, Inc., to or from Jackson, Sutter Creek and Amador City by means of one underlying carrier instead of two."

The River Lines has also stated in writing to the Commission that they waive any protest to the granting of the instant application.

This appears to be a matter in which a public hearing is not necessary. The application will be granted.

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.

ORDER

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Pacific Motor Trucking Company of an automotive service as a highway common carrier, as such is defined in Section 2-3/4 of the Public Utilities Act, between

a. Martell and Jackson and intermediate points,

b. Martell, Sutter Creek and Amador City and intermediate points,

as an extension and enlargement of its existing rights between Stockton and Martell.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same is, hereby granted to Pacific Motor Trucking 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 the date hereof.

2. Applicant is authorized to perform pickup and delivery service within one mile laterally of the highway between Martell on the one hand and Jackson on the other hand and between Martell on the one hand and Sutter Creek and Amador City on the other hand.

3. In the transportation of property in the custody of Pacific Motor Transport Company and Railway Express Agency, Inc., and other carriers of like class, applicant is authorized to perform pickup and delivery service at and/or between the communities of Jackson, Sutter Creek and Amador City within such pickup and delivery limits which are now or may hereafter be published in its own tariff or in the tariff of the express carriers whose traffic it will transport.

4. Applicant shall file, in duplicate, with the Commission copies of contracts entered into between said applicant and the express corporation or corporation herein referred to. 223

5. 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 conform to the certificate herein granted or rates and rules satisfactory to the Railroad Commission.

6. 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.

7. 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.

8. 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.

9. Applicant shall, prior to the commencement of service authorized herein and continuously thereafter, comply with all of the provisions of this Commission's General Order No. 91.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 26 day of

April, 1937.

COMMISSIONERS.