Decision No. <u>29856</u>

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of UNITED PARCEL SERVICE BAY DISTRICT for a certificate to operate a common carrier truck service between San Francisco and certain points in Marin County.

Application No. 21100

BY THE COMMISSION:



<u>O P I N I O N</u>

By this application United Parcel Service Bay District, a corporation, seeks a certificate of public convenience and necessity to establish and operate an automotive service as a highway common carrier between San Francisco and Sausalito, Mill Valley, Corte Madera, Ross, Fairfax, Manor, San Rafael, Hamilton Field, Tiburon, Belvedere and intermediate points.

Applicant states that for approximately two years passed it has been serving the territory set forth above as a highway contract carrier. Increasing demands have been made for further service to Marin County points, particularly by merchants of San Francisco, to a point where applicant believes that it needs a highway common carrier certificate of public convenience and necessity to properly render this service which is requested in lieu of and in addition to the present contract service of applicant.

Applicant proposes at least one trip daily except Sundays and Holidays with additional trips as the domands of traffic require and further desires to limit its service to packages 160 inches or less in length and girth combined and 100 pounds or less in weight.

1.

It is applicant's further request that it be allowed to operate over the ferries of the Southern Pacific Golden Gate Ferries, Ltd., or via the Golden Gate Bridge, as an alternate Toute.

Railway Express Agency, Inc., Pacific Motor Transport Company, Pacific Motor Trucking Company, Northwestern Pacific Railroad Company, Sausalito-Mill Valley & San Francisco Express Company, Marine Service Corporation, and Pacific Greyhound Lines have indicated in writing to the Commission that they waive objection to the granting of this certificate. Inasmuch as there are no other common carriers involved, there appears no necessity for a public hearing. The application will be granted.

United Parcel Service Bay District 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 establishment and operation by United Parcel Service Bay District, a corporation, of an automotive service as a highway common carrier, as such is defined in Section 2-3/4 of the Public Utilities

2.

Act, between San Francisco and Sausalito, Mill Valley, Corte Madera, Ross, Fairfax, Manor, San Rafael, Hamilton Field, Tiburon, Belvedere and intermediate points via the ferries of the Southern Pacific Golden Gate Ferries, Ltd., and/or the Golden Gate Bridge, as an alternate route, subject to the restriction that:

> "No package measuring over 160 inches in length and girth combined or weighing over 100 pounds shall be transported."

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same is, hereby granted to United Parcel Service Bay District, a corporation, 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 amended 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.

6. 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.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 142 day of June, 1937.

Ers. Commissio,