Decision No. _______

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PACIFIC MOTOR TRUCKING COMPANY for a certificate of public convenience and necessity to operate motor trucks over the public highways as a common carrier of property between Crockett and Calistoga and intermediate points.

Application No. 21755

EY THE COMMISSION:

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By this application Pacific Motor Trucking Company seeks authority from this Commission to establish and operate an automotive service as a highway common carrier of baggage and express between Creekett and Calistoga and intermediate points limited to the transportation of such baggage and express moving in the custedy of Southern Pacific Company, Railway Express Agency, Inc., Pacific Greyhound Lines and other carriers of like class, and further limited to the transportation of such baggage and express between the stations only of said carriers at Creekett and Calistoga and points intermediate where such service is provided under the lawful tariffs of said carriers.

The route proposed to be traversed by this applicant embraces an operation between Crockett and Vallejo via the Carquinoz Bridge and State Highway No. 29, and via State Highway No. 29 between Vallejo and Calistoga, with the further right to deviate from said State Route No. 29 for the purpose of serving the rail stations of the Southern Facific Company where said stations are on highways or roads connecting with said State Route No. 29. Applicant, also, requests authority to use, between the points herein set forth, such other highways, streets or thoroughfares as may be available

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and more practical and economical, and lawfully open to truck operation.

The services of applicant are to be confined to the transportation of the traffic of the carriers herein named and carriers of like class, and the rates to be charged to the general public for such services will be those provided for by the present or future tariffs of the carriers whose traffic will be handled by applicant. The carriers whose traffic will be handled will pay applicant for such service in an amount compensatory for the services to be rendered by applicant for such other carriers.

Service to be rendered by this applicant is set forth in its proposed time schedule attached to and made a part of its application as Exhibit "B". Six trips daily are to be operated from Vallejo to Crockett with one additional trip daily except Sundays and Holidays. From Crockett to Vallejo four daily trips will be operated, and, in addition, one daily except Sundays, and one daily except Sundays and Holidays. Between Crockett, Vallejo and Calistoga, applicant proposes one round trip daily as far as Napa and one round trip daily, except Sundays and Holidays, between Napa and Calistoga and intermediate points.

In justification of the granting of the authority herein sought, applicant alleges that Facific Greyhound Lines, operating a passenger bus service between the points involved herein, transports in connection with such service baggage, express, and milk and cream traffic which exceeds the capacity of passenger equipment used by that Company to the extent that they are now obliged to operate a truck between the points herein involved in order to handle the volume of traffic now moving. Facific Greyhound Lines now desires to be rolieved of the obligation of carrying the traffic which at the present time is necessarily transported by truck.

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It is the further allegation that, inasmuch as Pacific Greyhound Lines is primarily a passenger operator, Pacific Motor Trucking Company will be better able to give a more complete and more satisfactory specialized truck service over this route.

Pacific Greyhound Lines, in writing, has stated that it will make no change in the carrying of express on its passenger vehicles and has further agreed to waive protest to the granting of this certificate, provided Facific Motor Trucking Company will operate truck service on the same schedule as heretofore rendered by Facific Greyhound Lines.

This appears to be a matter in which a public hearing is not necessary and the application will be granted in so far as it applies to Southern Pacific Company and Railway Express Agency, Inc., and carriers of like class. With respect to the authority sought to render service for Pacific Greyhound Lines, the application will be denied for the reason that Pacific Greyhound Lines is obliged under its certificated rights to render this service on its passenger vehicles.

Pacific Motor Trucking Company is herebymplaced 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.

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THE RAITROAD COMMISSION OF THE STATE OF CALIFORNIA HEREEY DECLARES that public convenience and necessity require the establishment and operation by Pacific Motor Trucking Company of a

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service as a highway common carrier, as such is defined in section 50-3/4 of the Fublic Utilities Act, for the transportation of baggage, express, milk and cream in the custody of the Southern Pacific Company, Railway Express Agency, Inc., and carriers of like class between Crockett and Vallejo and Calistoga and intermediate points over and along the following route:

> Botween Crockett and Vallejo via Carquinez Bridge and State Highway No. 29; between Vallejo and Calistoga via State Highway No. 29, serving rail stations of the Southern Facific Company only and utilizing such other highways, roads, or thoroughfares connecting State Highway No. 29 with the rail stations of the Southern Facific Company.

IT IS HEREEY ORDERED that a certificate of public convenience and necessity for such service be and the same is hereby granted 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 date hereof, stipulating in said acceptance that the service herein authorized shall be confined to the transportation of property in the custody of Railway Express Agency, Inc., Southern Facific Company and any other carrier of the same class.

2. Applicant shall file in duplicate within a period of not to exceed twenty (20) days from the date hereof two copies of the contract or contracts entered into by applicant under authority herein granted, relating to the operation herein directed to be certificated, and shall further file a tariff, on at least one days' notice to the Commission and the public, showing that the rates to be assessed between the points herein authorized shall be the lawful tariff rates present or future of the carriers referred to in Condition No. 1. Applicant shall commence operation of said service within a period of not to exceed thirty (30) days from date hereof.

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 one days' notice to the Commission and the public time schedules covering the service herein authorized in a form satisfactory to the Railroad Commission.

4. Applicant shall operate only one round trip daily between Vallejo and Calistoga and intermediate points unless otherwise authorized by the Commission.

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5. 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.

6. - 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.

7. 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.

IT IS HEREBY FURTHER ORDERED that in all other respects the application be and the same hereby is denied.

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

Dated at San Francisco, California, this $\frac{2^{47}}{2^{47}}$ day of February, 1938.

COMMISSIONERS.