

Decision No. 29698

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of PACIFIC  
MOTOR TRUCKING COMPANY:

First: For a certificate of public  
convenience and necessity for the trans-  
portation of property by motor truck be-  
tween (a) Ukiah and Hopland and (b) Ukiah  
and Kelseyville; and

Second: To consolidate present  
operating rights between Hopland and  
Lakeport with those between Hopland and  
Kelseyville and with rights applied for  
herein.

Application No. 21853

ORIGINAL

BY THE COMMISSION:

O P I N I O N

In this application Pacific Motor Trucking Company, a high-  
way common carrier, requests a certificate of public convenience and  
necessity for the establishment and operation of a highway common  
carrier service, (a) between Ukiah and Hopland for the transportation  
of property moving to and from Lakeport, Kelseyville, Hopland and  
intermediate points, subject to the restriction that no service may  
be performed for the transportation of property between Ukiah and  
Hopland the origin and destination of which are Ukiah, Hopland or  
any points intermediate thereto, (b) between Ukiah and Kelseyville  
for the transportation of property moving to and from Kelseyville  
and points intermediate to Kelseyville and Upper Lake via Lakeport,  
but not including Upper Lake, provided, that no service may be given  
for the transportation of property the origin and destination of which  
are Ukiah and Upper Lake or any points intermediate thereto. It is  
further requested that such certificate be consolidated with the  
operating rights heretofore acquired by applicant in Decision No.  
29698 and a consolidation of the rights therein acquired.

Applicant at present is operating as a highway common carrier between Hopland and Lakeport and intermediate points and between Hopland and Kelseyville and intermediate points under rights acquired by Decision No. 29698. These rights are operated to a considerable extent over identical routes which separate at a point approximately midway between Lakeport and Kelseyville-- Lakeport lying to the north and Kelseyville lying southeasterly from the point of division of the main route. Hopland is the rail connecting point of this carrier at which point it receives shipments from Northwestern Pacific Railroad Company destined to points along the route between Hopland, Lakeport and Kelseyville. It is alleged that in order to effect economies in the operation of the rail line applicant proposed to make rail connections for through shipments to and from points in the Clear Lake Basin at Ukiah, instead of Hopland, and to operate over the route between Hopland and points in Clear Lake Basin over which it now operates primarily to handle traffic originating at and destined to Hopland and not moving from or to points beyond Hopland. Applicant also proposes in connection with such operations to route its trucks over the highway between Ukiah and Hopland, subject to the restriction hereinbefore set forth, merely as an alternate route of operation.

It is alleged that the route between Hopland and Clear Lake Basin is over a heavy mountainous grade, whereas the route between Ukiah and Clear Lake Basin contains no such heavy grades; that the major portion of tonnage is normally inbound to Clear Lake Basin and therefore it can be more expeditiously and economically handled over the less mountainous route from Ukiah to Clear Lake Basin; that by interchanging freight with the Northwestern Pacific at Ukiah instead of at Hopland the Northwestern Pacific Railroad Company will be enabled to effect operating economies of approximately

\$4,264 annually. In the proposed operation service will normally be in and out of Ukiah rather than in and out of Hopland, but in cases where there is local traffic to be moved to or from Hopland, it is desired to operate over applicant's present route which will require the movement of equipment from Ukiah over U.S. Highway 101 to Hopland. Applicant estimates that the additional trucking expense due to additional mileage of operations will be approximately \$720 annually which is substantially less than the economies which will accrue to Northwestern Pacific Railroad Company as hereinbefore set forth resulting in a net annual operating economy of approximately \$3,544.

Written waiver of protest having been received from Guido de Ghetaldi, the only carrier who might be adversely affected in this territory, and it appearing that no public hearing is necessary and the authority requested being in the public interest, 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.

### O R D E R

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by Pacific Motor Trucking Company as a highway

common carrier as defined in section 2-3/4 of the Public Utilities Act for the transportation of property,

- (a) between Ukiah and Hopland for the transportation of property moving to and from Lakeport, Kelseyville, Hopland and intermediate points, subject to the restriction that no service may be performed for the transportation of property between Ukiah and Hopland the origin and destination of which are Ukiah, Hopland or any points intermediate thereto,
- (b) between Ukiah and Kelseyville for the transportation of property moving to and from Kelseyville and points intermediate to Kelseyville and Upper Lake via Lakeport, but not including Upper Lake, provided, that no service may be given for the transportation of property the origin and destination of which are Ukiah and Upper Lake or any points intermediate thereto.

as an extension and enlargement of the rights heretofore acquired by applicant in Decision No. 29698, and

IT IS ORDERED that a certificate therefor is 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 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, a time schedule or time schedules covering the service herein authorized in a form satisfactory to the Railroad Commission.
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.

IT IS FURTHER ORDERED that the operative rights heretofore acquired by applicant in Decision No. 29698 are consolidated into one operating right.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 2nd day of May, 1938.

Walter H. Hays  
Leon C. Hays  
James R. Hays  
Raymond Hays  
May L. Hays  
COMMISSIONERS.