

Decision No.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
THE RIVER LINES (The California)
Transportation Company and Sacramento)
& San Joaquin River Lines, Inc.) for)
a certificate of public convenience)
and necessity authorizing an alternative)
highway common carrier truck service)
for the transportation of grain from)
points on the Sacramento River north of)
Sacramento to Sacramento, Stockton,)
Vallejo, Port Costa, Petaluma, Oakland,)
Alameda and San Francisco, and paddy)
rice from said points of origin to)
Sacramento and San Francisco.)

Application No. 21836.

ORIGINAL

MCCUTCHEEN, OLNEY, MANNON & GREENE, by F. W. Mielke and
Starr Thomas, for Applicant.

A. S. WILLIAMS, JR., for Southern Pacific Company,
Pacific Motor Trucking Company, Pacific Motor
Transport Company, Petaluma & Santa Rosa Railroad
Co., and Northwestern Pacific Railroad Co.,
Interested Parties.

G. E. DUFFY, G. F. HURST and C. R. BISHOP, JR., by C. R.
Bishop, Jr., for The Atchison, Topeka & Santa Fe
Railway and Central California Traction Company,
Interested Parties.

L. N. BRADSHAW and JOHN L. AMOS, JR., by John L. Amos, Jr.,
for Western Pacific Railroad Company and the
Sacramento Northern Railway, Interested Parties.

CLYDE E. BROWN, for San Francisco & Napa Valley Railroad,
Interested Party.

WAKEFIELD, Commissioner:

O P I N I O N

This is an application by The California Transportation
Company and Sacramento & San Joaquin River Lines, Inc., doing

business under the name and style of The River Lines, for a certificate of public convenience and necessity to establish and operate an automotive service as a common carrier of grain and paddy rice from points on the Sacramento River, north of Sacramento, including Knights Landing, State Ranch Bend, Tisdale, Tyndall Mound, Kirkville, Coles Landing, Grimes, Sycamore, Colusa, Princeton, Butte City, Sidds Landing and all other points between Knights Landing and Sidds Landing, as points of origin, to Sacramento, Stockton, Port Costa, South Vallejo, Petaluma, Oakland, Alameda and San Francisco, as points of destination.

A public hearing in this matter was conducted in San Francisco on May 5, 1938, where testimony was received, the matter submitted, and it is now ready for decision.

From the testimony of J. E. Anderson, traffic manager for applicant, who was the only witness presented, it was developed that The River Lines seeks the authority hereinabove described as an alternative service complementing and supplementing its existing service by vessel to the points involved. Rates to be assessed under the proposal are to be the rates contemporaneously maintained in applicant's tariff for the transportation of said commodities of grain and paddy rice by vessel between the same points.

There also appears in the record a reference to certain alleged minimum weight restrictions in applicant's water right to points north of Sacramento. Apropos of this situation it was agreed that the operative right herein sought would be subject to all limitations, restrictions and conditions heretofore imposed in either tariff or operative rights of applicant in the territory described, as it was distinctly understood that no greater right was being sought by truck than now exists by water.

Witness Anderson further testified that the service proposed would be only from points of origin to points of destination, would be a dock-to-dock service, and that no back-haul was contemplated.

Additionally he stated that applicant has twenty-six pieces of motor equipment, including two semi-trailers capable of handling twenty-five tons apiece and one truck and trailer with a capacity of twenty-two tons. The last three pieces of equipment named will be immediately available for this service which is to be utilized at the convenience of The River Lines. Additional equipment can and will be obtained by applicant if necessity arises.

This witness also testified that grain generally moved from all the points of origin to all the points of destination hereinbefore set forth, but that the movement of paddy rice was generally only to Sacramento and San Francisco as points of destination. Points of origin for both grain and paddy rice are identical, the witness averred.

Justifying the position of applicant in this proceeding, witness Anderson testified generally that the alternative truck service herein sought was necessary for three reasons set forth in the application as follows:

"1. At numerous times navigation of the Sacramento River above Sacramento is impracticable or hazardous, due to such conditions as (a) low water; (b) obstruction of the channel of the river by sand bars; and (c) heavy flow of driftwood and other debris during high or flood water.

"2. The tonnage of grain and paddy rice offered for shipment is at times of such restricted volume that it will be considerably more economical to transport the shipments by truck to the ultimate destination than to perform the transportation service by vessel either for part or all of the haul.

"3. Transportation by vessel has in late years been subject to frequent interruption by reason of maritime labor difficulties. Service by vessel is as yet not free from possibility of further interruptions of like character."

I do not believe that reason number 1 needs further elaboration in this opinion, it being sufficient to recognize that a hazard and bar to navigation has existed and no doubt will continue to exist on the River north of Sacramento with deleterious effect on water-bound commerce. In connection with reason number 2, the witness testified that it appeared to be the trend of the times to engage in what he termed "hand-to-mouth" purchasing and cited as an example that in years past barges moved from 500 to 600 tons at one time (capacity load), while at the present time from 30 to 50 tons were usually the maximum tonnages offered. In this connection it was pointed out that considerable economy of operation could be effected by the use of trucks for the movement of this property when contrasted with the cost of operating a barge with a tug and crew required by this method of operation. Additionally, testimony showed, there must be added the expense of transporting longshoremen by motor vehicle to and from their Sacramento hiring hall and from warehouse to warehouse along the river where grain and rice were to be picked up. The witness testified that on a movement of grain or rice from Colusa to San Francisco, the Commission had provided a minimum rate of \$3.20 per ton. His estimate of The River Lines out-of-pocket cost for a similar movement by barge would amount to \$3.50 per ton. Mr. Anderson further contended that his company could operate the service proposed at the minimum rate prescribed by the Commission and give shippers a more expedited service which would not be subject to the

interruption occasioned by maritime labor troubles which have in the past so frequently caused cessation of operation. The witness further indicated that service by vessel is as yet not free from possibility of further interruptions of like character.

Although no protests to the granting of this application were made, various rail lines appeared in this proceeding as interested parties, and through a stipulation entered into by the witness Anderson, counsel for applicant and counsel for Southern Pacific Company, it was agreed that any certificate of public convenience and necessity granted pursuant to the instant application would contain a restriction which in effect would result in the termination of such a certificate as to any point herein sought to be served by truck should The River Lines cease its vessel operation as to such point. It was agreed that suspension of vessel service by reason of circumstances beyond the control of applicant, i.e., labor troubles or navigating conditions on the Sacramento River, would not be construed as terminating the certificate of public convenience and necessity sought.

After fully considering the record in this matter, I am of the opinion that public convenience and necessity will be subserved by the proposal of applicant herein and that the alternative truck service offered will afford a more expeditious and economical service to the shipping public and will further tend to afford an uninterrupted service to and from the territory set forth in the application.

I believe therefore that the application should be granted and recommend the following form of order.

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 The California Transportation Company and Sacramento & San Joaquin River Lines, Inc., doing business under the name and style of The River Lines, of an automotive service as a highway common carrier as such is defined in Section 2 and 3/4 of the Public Utilities Act:

1. From Knights Landing, State Ranch Bend, Tisdale, Tyndale Mound, Kirkville, Coles Landing, Grimes, Sycamore, Colusa, Princeton, Butte City, Sids Landing and all other points between Knights Landing and Sids Landing, as points of origin, on the one hand, to Sacramento, Stockton, Port Costa, South Vallejo, Petaluma, Oakland, Alameda and San Francisco, as points of destination, on the other hand, limited to the transportation of grain only; and
2. From the points of origin listed in number 1, on the one hand, to Sacramento and San Francisco as points of destination, on the other hand, limited to the transportation of paddy rice only,

as an alternative service to the existing service of The River Lines by vessel to the points set forth herein, and subject to the following restrictions:

A. The authority herein granted shall lapse and become void as to any point herein mentioned contemporaneously with the suspension or abandonment of service by vessel as to such point, if said vessel service is suspended or abandoned at the request of The River Lines;

B. The authority herein granted is for a dock-to-dock service only and is limited to points of origin on the Sacramento River named herein as now served by the vessels of The River Lines.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same hereby is, granted to The California Transportation Company and Sacramento & San Joaquin River Lines, Inc., operating under the name and style of The River Lines, 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, supplements to its tariffs on file with the Commission which will provide that rates, rules and regulations for the service herein authorized will be those now provided in applicant's tariffs for the transportation of like property by vessel.
- (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.
- (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 the 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 twenty (20) days from the date hereof.

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

Dated at San Francisco, California, this 16th day of May, 1938.

Walter B. Brown
John C. Anderson
Frank J. Williams
Raymond A. Hickey
 Commissioners.