ORIGINAL BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA In the Matter of the Application of PACIFIC MOTOR TRUCKING COMPANY, a corporation, for a certificate of public convenience and necessity to operate motor vehicles for the transportation of property over the public highways between Laws and Benton, California, and to consolidate such operations with Application No. 22358 existing operations between Laws and Lone Pino. BY THE COMMISSION: <u>opinion</u> This is an amended application by Pacific Motor Trucking Company for authority to establish and operate an automotive service as a highway common carrier between Laws and Benton as an extension and enlargement of existing rights between Laws and Lone Pine and to consolidate therewith. Applicant proposes to operate between Laws and the Southern Pacific Depot at Benton via California State Highway No. 168 and between the Southern Pacific Depot at Benton and Benton via California State Highway No. 120. Applicant further proposes to use various unnumbered highways connecting California State Highway No. 168 with the various railroad stations located on the line of Southern Pacific Company between Laws and Benton. A daily except Sunday and Holiday schedule co-ordinated with rail schedules of Southern Pacific Company is proposed by applicant and rates to be assessed are those appearing in Exhibit "C" attached to and made a part of this application, as amended. It is the purpose of the proposed service, according to applicant, to afford consignors and consignees of less-than-carload -1-

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traffic a pickup and delivery service at the various points sought to be served and, through the co-ordination of rail and truck service above referred to, accord the shipping public in the territory a better service than now furnished entirely by rail. Additionally, it is alleged, establishment of this service will enable Southern Pacific Company to effect operating economies in excess of \$2,000 per year.

No other common carrier of intrastate traffic, except Southern Pacific Company of which applicant is a wholly owned subsidiary, is now serving any of the points proposed to be served by applicant.

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 establishment and 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 Laws and Benton and intermediate points, over and along the following route: Between Laws and Southern Pacific Station at Benton via State Highway No. 168 Between Southern Pacific Depot at Benton and Benton via State Highway No. 120 Between State Highway No. 168 and the various stations on Southern Pacific Company's line between Laws and Benton via unnumbered highways connecting said station with State Highway No. 168, as an extension and enlargement of applicant's existing rights between Laws and Lone Pine and consolidated therewith. IT IS HEREBY OKDEKED that a certificate of public convenience and necessity therefor be, and the same hereby is, granted to Pacific Motor Trucking Company subject to the following conditions: l. 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 Reilroad 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 cortificate herein granted, or rates and rules satisfactory to the Railroad Commission. 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. factory to the Railroad Commission. 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. -3~

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. The effective date of this order shall be the date hereof. Dated at San Francisco, California, this May, 1939.

day of