

Decision No. 22061.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )

(1) THE RIVER LINES (The California  
Transportation Company, a cor-  
poration, and Sacramento & San  
Joaquin River Lines, Inc., a  
corporation) for a certificate  
of public convenience and  
necessity to operate freight  
service by vessel between San  
Francisco, Oakland and Alameda  
on the one hand, and Vallejo on  
the other hand; and of )

(2) NAPA TRANSPORTATION COMPANY, a cor-  
poration, (a) to let the vessel  
SOUTH SHORE for hire to The River  
Lines, and (b) for a certificate  
of public convenience and necessity  
to operate as an "express corpora-  
tion" between San Francisco and  
Vallejo via The River Lines. )

ORIGINAL

Application No. 22061

BY THE COMMISSION:

McCutchen, Olney, Mannon & Greene, by Allan P. Matthew  
and F.W. Mielke, for applicants.  
Harold Frasher, for Valley Express Co., as its interests  
**MAY APPEAR.**  
Clyde R. Brown, for San Francisco and Napa Valley Rail-  
road Company, as its interests may appear.

O P I N I O N

By this application Napa Transportation Company seeks

(1) authority under Section 51 (a) of the Public Utilities Act to  
lease its vessel SOUTH SHORE to The River Lines,<sup>1</sup> and (2) a certi-  
ficate of public convenience and necessity under Section 50 (f) of  
the Public Utilities Act authorizing it to transport property be-  
tween San Francisco and Vallejo as an express corporation, using  
The River Lines as its underlying carrier. The River Lines seeks

<sup>1</sup> The River Lines is a unified operation of The California Trans-  
portation Company and Sacramento & San Joaquin River Lines, Inc.

(1) authority under Section 51(a) of the Public Utilities Act to lease the vessel SOUTH SHORE from Napa Transportation Company, (2) authority to operate a common carrier by vessel service between San Francisco, Oakland and Alameda on the one hand and Vallejo on the other hand, limited to the transportation of traffic originating at or destined to points beyond Vallejo and moving beyond Vallejo in The River Lines' highway vehicles and (3) to act as the underlying carrier for the transportation of express for Napa Transportation Company between San Francisco and Vallejo.

A public hearing was held in San Francisco before Examiner Mulgrew.

According to the record Napa Transportation Company is engaged in the transportation of property between San Francisco and Napa, and intermediate points, including Vallejo. Between San Francisco and Vallejo, it handles local traffic and shipments originating at or destined to points beyond Vallejo under joint rates with The River Lines. In addition to performing transportation between points not here involved, The River Lines transports property between San Francisco, Oakland and Alameda on the one hand and Sacramento on the other hand, as a common carrier by vessel. The River Lines also transports property between Oakland and Alameda on the one hand and Sacramento and certain intermediate points beyond Vallejo on the other hand, using Napa Transportation Company as a bridge carrier between San Francisco and Vallejo, and, as hereinbefore indicated, participates in the movement of property from San Francisco to Sacramento and intermediate points, via Vallejo, under joint rates with Napa Transportation Company.

Under the arrangement here proposed Napa Transportation Company would lease to The River Lines the vessel SOUTH SHORE, which Napa Transportation Company now operates between San Francisco and Vallejo. It would then ship via The River Lines, as an express

corporation, the freight received by it for transportation between San Francisco and Vallejo. The River Lines would operate the vessel SOUTH SHORE in addition to its other vessels, and would itself transport the traffic originating in Oakland and Alameda and destined to points beyond Vallejo, which it now turns over to Napa Transportation Company at San Francisco. In addition, The River Lines would transport between San Francisco and Vallejo, as underlying carrier, such property as Napa Transportation Company might tender to it.

In support of the application it was shown that the proposed arrangement would enable the carriers to effect substantial operating economies. Cost figures were presented to show that the expense of operating the vessel SOUTH SHORE in San Francisco-Vallejo service and another craft in dock-to-dock service at San Francisco amounted to \$11,500 per year each, or a total of \$23,000. Using only one vessel to perform the combined services, it was stated, the annual operating expenses would not exceed a maximum of \$14,000, computed by adding to the \$11,500 cost a sum of \$2,500 for labor and fuel incident to transfer service. In addition to such saving, the Napa Transportation Company would be relieved of supervisory and other expenses related to the receipt and transport of property, including a capital expenditure of \$5,000 for necessary flat and lift trucks.

No one opposed the granting of the application, except that Valley Express Company and San Francisco and Napa Valley Railroad Company opposed the granting of any authority which might tend to broaden or enlarge the operative rights now held by applicants.

Applicants do not seek authority to serve any points which they do not now serve individually or jointly. Napa Transportation Company merely seeks to serve as an express corporation the same points it now serves as a common carrier by vessel. This appears to be only a technical change in the nature of operating rights, designed to permit the handling of traffic in a more efficient manner.

Consequently, the granting of this application would not result in the inauguration of any new common carrier services or be detrimental to or encroach upon the operations of competing carriers. On the other hand, the proposed arrangement would enable applicants to effect substantial savings in operating expenses. Under these circumstances we are of the opinion that the granting of authority sought will be in the public interest. The application will be granted.

O R D E R

This matter having been duly heard and submitted,

IT IS HEREBY ORDERED that Napa Transportation Company be and it is hereby authorized to lease to The River Lines the vessel SOUTH SHORE.

IT IS HEREBY FURTHER ORDERED that, subject to the terms and conditions stated in the fifth ordering paragraph hereof, Napa Transportation Company be and it is hereby granted a certificate of public convenience and necessity authorizing it to transport property as an express corporation, between San Francisco and Vallejo, restricted to the use of The River Lines as its underlying carrier.

IT IS HEREBY FURTHER ORDERED that, subject to the terms and conditions stated in the fifth ordering paragraph hereof, The River Lines be and it is hereby granted a certificate of public convenience and necessity authorizing it to operate a common carrier by vessel service between San Francisco and Vallejo, limited to the transportation of shipments originating at or destined to points beyond Vallejo and moving beyond Vallejo by common carrier highway vehicles operated by The River Lines.

IT IS HEREBY FURTHER ORDERED that The River Lines be and it is hereby authorized to transport, as underlying carrier, shipments of the Napa Transportation Company moving in express service between San Francisco and Vallejo.

IT IS HEREBY FURTHER ORDERED that the certificate of public convenience and necessity herein granted shall be subject to the following terms and conditions:

1. Applicants shall file written acceptance of the certificates herein granted within a period of not to exceed fifteen (15) days from the effective date hereof.
2. Applicants shall commence the services herein authorized within a period of not to exceed sixty (60) days after the effective date hereof, and shall file in triplicate and concurrently make effective on not less than five (5) days' notice to the Railroad Commission and the public tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates, rules and regulations no lower in volume and effect than such rates, rules and regulations as are currently effective in tariffs approved by and now on file with the Commission.
3. Applicants shall file, in duplicate, and make effective within a period of not to exceed sixty (60) days after the date hereof, on not less than five (5) days' notice to the Railroad Commission and the public, time schedules covering the services herein authorized, in a form satisfactory to this 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 or vessel may be operated by applicants herein unless such vehicle or vessel is owned by said applicants or is leased by applicants under a contract or agreement on a basis satisfactory to the Railroad Commission.

This order shall become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 26<sup>th</sup> day of September, 1939.

Ray & Riley

W. H. A. M.

Justus D. Coe  
Commissioners.