

adjoining the northeast boundary of Camp San Luis Obispo. It is applicant's intention if the requested certificate is granted to file joint rates with Southern Pacific Company and thereby provide a co-ordinated rail-truck service from San Luis Obispo to Camp San Luis Obispo.

Applicant requests that the extension sought herein be consolidated with its present operative rights. Authority is asked also to traverse any roads or highways lawfully open to truck operation in serving the Camp as the United States War Department may specify roads or thoroughfares to be used other than those now generally employed.

Two letters were received urging that applicant be granted the certificate sought. The first, from an officer commanding the camp, states that a considerable amount of freight of various kinds will be received and hence the proposed service of applicant is needed. The second, from the company awarded the contract for the erection of the Camp buildings and facilities, says the service contemplated by Pacific Motor Trucking Company will be almost invaluable in transporting materials and supplies to be used in the construction work.

The Commission has been advised that Valley & Coast Transit Company and Pacific Freight Lines, the only common carriers except Southern Pacific Company who hold operative rights adjacent to the territory proposed to be served, do not object to the granting of this certificate.

It appears from all of the evidence that approximately nine million dollars will be expended to complete Camp San Luis Obispo and that there will be a considerable movement of construction materials and supplies as well as an extensive volume of food and subsistence supplies.

Full consideration has been given to this application. The Commission is of the opinion that this is a matter in which a public hearing is not necessary and that said application should 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 having fully considered Application No. 23793 and the evidence pertaining thereto hereby finds and declares that public convenience and necessity require the establishment and operation by Pacific Motor Trucking Company of a highway common carrier service as said term is defined by section 2-3/4 of the Public Utilities Act, over any available roads, highways, and thoroughfares, between San Luis Obispo and Camp San Luis Obispo, to be consolidated with its existing operative rights.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Pacific Motor Trucking Company authorizing it to operate a highway common carrier service in the manner and over the route hereinabove described, subject to the following conditions:

1. The authority herein granted shall lapse and be void if applicant shall not have complied with all the conditions within the periods of time fixed herein unless, for good cause shown, the time shall be extended by further order of the Commission.

2. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the effective date hereof.

3. 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 (10) 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.

4. Applicant shall file, in triplicate, 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 (5) 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. 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.

The effective date of this order shall be the date hereof

Dated at San Francisco, California, this 22nd day of January, 1941.

Ray L. Reay

Walter H. Coe

COMMISSIONERS