OPIGINAL

Decision No. 34995

A. 16228 GN

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PACIFIC MOTOR TRUCKING COMPANY to extend and enlarge its operations under certificate granted by Decision No. 25370.

Application No. 16228 (Fourth Supplemental)

E. L. VAN DELLEN, JR. for applicant and for Southern Pacific Company intervenor on behalf of applicant.

BY THE COMMISSION:

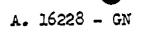
FOURTH SUPPLEMENTAL OPINION

By this supplemental application, Pacific Motor Trucking Company seeks authority to operate as a highway common carrier and to perform pick-up and delivery service with line-haul equipment for the transportation of property between Watsonville and Freedom as an extension and enlargement of existing operative (1) rights heretofore granted by the Commission. Applicant does not propose to transport local shipments between Watsonville and Freedom and offers to limit its service to the handling of shipments which have a prior or subsequent rail haul by the Southern Pacific Company.

Freedom is located on California State Highway No. 1 about 1.3 miles north and west of Watsonville.

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⁽¹⁾ Pursuant to Decision No. 25370 of November 21, 1932, supplementing Decisions Nos. 22558 and 25078 in this proceeding, applicant is authorized to operate as a highway common carrier for the transportation of property between San Jose, Santa Clara, Campbell, Los Gatos and Santa Cruz, interchanging shipments with the Southern Pacific Company at Watsonville Junction when freight is destined to or originates at Soquel, Capitola and Santa Cruz.



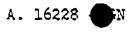
At public hearing had before Examiner Broz at Watsonville applicant offered evidence and testimony in support of the application and the matter was submitted on the record. No one appeared in, opposition to the granting of authority here sought.

Applicant's operating witness testified that the Pacific Motor Trucking Company utilizes two light trucks to perform store door pick-up and delivery service in the city of Watsonville at the present time. It is proposed to operate one of these trucks in "on-call" service between Watsonville and Freedom, daily, except Saturdays, Sundays and holidays, handling less-than-carload shipments originating at or destined to points beyond Watsonville, moving in connection with the Southern Pacific Company. When shipments are received at Watsonville for Freedom, it is proposed to make delivery to merchants' store door in Freedom about 9:00 A.M. daily. Outbound shipments from Freedom, destined to points beyond Watsonville and moving via the Southern Pacific Company, would be picked up on the morning trip, and additional pick-up service would be rendered upon telephone request placed with the (2) Southern Pacific agent at Watsonville.

An exhibit received in evidence shows that about 93 tons of less-than-carload shipments originating at or destined to points beyond Watsonville, are now moving annually between Watsonville and Freedom by proprietary truck or by local draymen. The estimated

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⁽²⁾ At the present time, according to a witness' testimony, receivers of freight at Freedom are notified by postcard that their shipments are on hand at the Watsonville depot of the Southern Pacific Company. Shippers then come in and pick up the shipments with their own trucks or hire a local drayman to make delivery. Proprietary trucks or local draymen are used for outbound shipments as well.



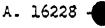
cost of performing the proposed service, including line haul and store door service in Freedom, is \$115 per annum. This expense would be over and above that now incurred by the truck in performing local store door service in Watsonville.

Minimum rates established by the Commission By Decision No. 31606, as amended, in Case No. 4246 are proposed to be jointly filed by the applicant with the Southern Pacific Company and charged on store door traffic moving between Freedom and other points in California served by the applicant and Southern Pacific Company. An exhibit received in evidence shows that in substantially all cases, the new rates to be applied at Freedom will be the same as those presently applicable at Watsonville, the rates being predicated upon distance. Freedom lies within the same mileage block as Watsonville, being only 1.3 miles distant therefrom.

The proposed pick-up and delivery limits at Freedom were defined by a witness as follows: "Within a radius of one-half mile from the intersection of State Highway No. 1 and Green Valley Road, including all intermediate points on State Highway No. 1 between Green Valley Road and the westerly city limits of Watsonville, California."

Testimony with respect to public convenience and necessity was offered through a witness for the Southern Pacific Company who stated that he had conducted a survey of the transportation needs of merchants and business men at Freedom and had interviewed eight persons who indicated that they need store door service and would use applicant's proposed service if the

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(3) authority here sought is granted and such service is established.

A review of the evidence shows that the merchants and business houses at Freedom are subject to some inconvenience by having to transport their own shipments or hire a local drayman for that purpose, between Watsonville and Freedom; that the proposed service will eliminate this inconvenience and furnish store door transportation at rates which are substantially the same as those applying at Watsonville. It further appears that while the added traffic to be transported amounts to about 93 tons per annum producing a gross revenue of \$625.00, the additional expense of providing the new truck service will cost applicant about \$115.00 per year. Applicant will also be in a position to earn additional revenue by virtue of applying store door rates at Freedom on future traffic, as against collecting depot delivery rates at Watsonville on shipments which are now being picked up or delivered by the shippers themselves, or by local draymen.

Applicant does not propose to perform transportation service between Watsonville and Freedom for the movement of "local" shipments. The new service is sought merely as an extension of existing truck services for the handling of traffic which will have a prior or subsequent rail movement by the Southern Pacific Company and is properly classed as traffic which is

(3)	The shippers so interviewed were as follows:		
	(Name)	(Business)	(Address)
	Glenn Eull Edward Trevethen	Hull's Plumbing Shop Eddie's Cavern	Freedom
	S. W. Cissna	Freedom Lumber Co.	Ħ
	Miss S. Schmidt	Freedom Mercantile Store	11
	Mary C. Nolan	Fairway Drug Store	11
	W. R. Trembley	Trembley's Market	11
	E. N. Henn	Fairway Market	11
	E. J. Reynolds	Pennywise Food Mart	π

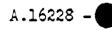
auxiliary or supplemental to rail cervice of that company.

Upon consideration of the evidence of record we are of the opinion and find that public convenience and necessity require the establishment and operation of truck service by the applicant as a highway common carrier between Watsonville and Freedom and intermediate points as an extension and enlargement of operative rights heretofore granted to spplicant by Decisions Nos. 22558, 25078 and 25370 in the above entitled proceeding and to be consolidated with said operative rights but restricted to the transportation of shipments which receive a prior or subsequent rail haul by the Southern Pacific Company. The application will be granted.

ORDER

A public hearing having been had in the above-entitled proceeding, evidence and testimony having been offered therein and based upon the foregoing opinion and finding of the Commission that public convenience and necessity so require:

IT IS ORDERED that a certificate of public convenience and necessity be and it is hereby granted to the Pacific Motor Trucking Company to establish and operate as a highway common carrier for the transportation of property between Watsonville and Freedom and intermediate points, as an extension and enlargement of operating authority herotofore granted to said applicant by Decisions Nos. 22558, 25078 and 25370 in this proceeding and to be consolidated and merged with said operative rights, subject to the condition that the transportation service to be performed hereunder shall only be that which is auxiliary or supplemental to the rail service of the Southern Pacific Company and shall involve the movement only of that property which has a prior or



subsequent rail haul by said company.

IT IS FURTHER ORDERED that Pacific Motor Trucking Company be and it is hereby authorized to render pick-up and delivcry service at Freedom, California within the following defined limits:

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PICK-UP OR DELIVERY LIMITS FREEDOM, CALIFORNIA

Within a radius of one-half mile from the intersection of State Highway No. 1 and Green Valley Road, including all intermediate points on State Highway No. 1 between Green Valley Road and the westerly city limits of Watsonville, California.

IT IS FURTHER ORDERED that Pacific Motor Trucking Company shall comply with the following service regulations:

- File a written acceptance of the foregoing certificate with the Commission within thirty (30) days from the effective date of this order.
- 2. File in triplicate, and within sixty (60) days from the effective date of this order, its joint tariff with the Southern Pacific Company, naming rates, rules and regulations for the rendition of the service herein authorized, said tariff to be made effective upon not less than fifteen (15) days'notice to the Commission and to the public.
- 3. File in triplicate, and within sixty (60) days from the effective date an appropriate time schedule to become effective upon not less than fifteen (15) days notice to the Commission and to the public, for the performance of "on call" service authorized herein.
- 4. Subject to the right of the Commission to change said route at any future time, the operations herein authorized shall be conducted over and along California State Highway No. 1.
- 5. Commence service within sixty (60) days from the effective date of this order.

The certificate herein granted is subject to the following condition:

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Pacific Motor Trucking Company, its successors or assigns, may never claim before this Commission, or any court or other public body, a value for the authority hereby granted in excess of the actual cost thereof.

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

Dated at San Francisco, California this <u>3rd</u> day of <u>February</u>, 1942.

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