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Decision No. 35400

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 for the transportation of property by motor truck over public highways via Pacheco Pass, between Santa Cruz, Monterey, Salinas, and San Luis Obispo, and intermediate points on the Coast, on the one hand, and Manteca, Tracy, and Porterville and intermediate points in the San Joaquin Valley, on the other hand.

Application No. 20885

F. X. VIEIRA and E. L. VAN DELLEN, JR. for Applicant and for Southern Pacific Company, intervenor on behalf of Applicant,

BY THE COMMISSION:

## OPINION

Pacific Motor Trucking Company, by its application as amended, requests a certificate of public convenience and necessity authorizing it to operate as a highway common carrier generally between Coast and Valley points using what is known as the Pacheco Pass.

Public hearing was held in this matter December 8, 9 and 10, 1941 and March 17 and April 6, 1942, at Monterey, Watsonville, Santa Cruz, Fresno and San Francisco, respectively, before Examiner Howard.

Applicant has extensive common carrier rights in California. It is authorized to operate in the San Joaquín

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Valley and along the Pacific Coast. Some of the principal points served on the Coast route are Santa Cruz, Watsonville, Monterey, Salinas, Gilroy, King City and San Luis Obispo. Major points to which service is rendered on the Valley route include Tracy, Manteca, Modesto, Merced, Madera, Fresno, Hanford, Coalinga, Visalia, Porterville and Tulare.

The testimony of applicant's operating witnesses shows that the primary object of Pacific Motor Trucking Company's proposed service is to expedite the movement of traffic between Coast and Valley points. At the present time less-than-carload merchandise tendered to Southern Pacific Company at Coast points, destined to the San Joaquin Valley, must pass through the San Francisco Bay Area, Pittsburg and Tracy before reaching the ultimate consignees in the Valley. Movements in the reverse direction follow the same route. Necessarily, this long rail haul is slower than the more direct route over Pacheco Pass by truck. To illustrate, at the present time it requires thirty-five hours to move a shipment from Fresno to Salinas. Under the contemplated service only nine and onc-half hours will be needed to complete the trip. Generally speaking, next-morning delivery will be afforded traffic moved between Valley and Coast points if the authority sought is granted.

It is in evidence that operation of the proposed service will cost applicant \$8,505 a year. However, it is estimated that through increased traffic and rail economies the contemplated operation will earn \$14,071 per year. Hence, the expected net gain per annum is \$5,566.

The evidence shows that Pacific Motor Trucking Company has sufficient equipment available at Salinas and Fresno to perform

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the service under consideration. Fresno and Salinas will be used as concentration points for Valley and Coast traffic, respectively. Merchandise originating at San Luis Obispo and points north thereof, destined to Valley points, will be brought to Salinas by applicant's regular trucks. A pickup and delivery truck, used in Salinas during the day, will leave for Fresno with the accumulated traffic at 7:45 P.M. and make certain stops en route. This truck will arrive in Fresno at 2:25 A.M. and from there traffic consigned to points in the Valley outside of Fresno will be distributed by other Pacific Motor Trucking Company trucks. A similar operation will be performed from Fresno to Salinas. Traffic originating at Valley points and destined to Coast locations will be accumulated during the day at Fresno and brought to Salinas at night and from there distributed to the ultimate consignees on the Coast by other trucks of applicant.

Under its present rights applicant is not authorized to serve some of the intermediate points along its routes in the Valley and Coast territories. However, by this application, Pacific Motor Trucking Company seeks the right to transport traffic between all points along its routes on the Coast, including intermediates not served now, and all points adjacent to its routes in the San Joaquin Valley, including intermediates not served at the present time. Authority is sought also to serve between Gilroy and Los Banos via State Highway No. 152, with the right to provide on-call service to all points located within one mile laterally of such highway, and between such points, excluding Gilroy, on the one hand, and points located on applicant's presently operated routes in the Coast and Valley territories, on the other hand. Finally, Pacific Motor Trucking Company requests the right to serve between all Valley points on its present routes,

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on the one hand, and all points Gilroy to Salinas, inclusive, along U. S. Highway No. 101 and all points located on certain unnumbered county highways passing through Hollister, on the other hand. To enable it to render a more efficient and dependable service, Pacific Motor Trucking Company also asks permission to use certain alternate routes between some of the points referred to above when transportation conditions make it expedient to do so. Applicant does not seek to operate to any points it is not presently authorized to serve when shipments are moving between Coast points, nor is it asking to serve additional points not included in its present rights when shipments are moving between Valley points.

Many shipper witnesses testified in this proceeding. All of them favored inauguration of the proposed service. Their testimony showed that the present service available between Coast and Valley points is too slow to satisfy business demands. They said that due to this fact much business has been lost which would otherwise have been enjoyed. When merchandise must move quickly shippers are compelled to deliver it in their own vehicles or consignees must call for it. Numerous witnesses said that they could develop new markets for their products if the faster service proposed by applicant were instituted.

There are no common carriers rendering a service such as applicant contemplates. No one appeared at the hearing to oppose granting of the application.

Full consideration of the evidence of record leads to the conclusion that the service Pacific Motor Trucking Company seeks authority to render is a practical operation which is needed by the public and which will be of great convenience to them. Therefore, the application will be granted.

## <u>order</u>

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Based upon the evidence of record and the conclusions contained in the foregoing opinion,

IT IS ORDERED that a certificate of public convenience and necessity is granted to Pacific Motor Trucking Company authorizing it to operate as a highway common carrier, as that term is defined in Section 2-3/4 of the Public Utilities Act:

(a) Between all points along its presently used routes in the Coast territory, on the one hand, and all points along its presently used routes in the San Joaquin Valley territory, on the other hand;

(b) Between Gilroy and Los Banos, with the right to provide on-call service to all points located within one (1) mile laterally of State Highway No. 152, and between such points, excluding Gilroy, on the one hand, and all points located on its presently used routes in the Coast and San Joaquin Valley territories, on the other hand;

(c) Between all points located on its presently used routesin the San Joaquin Valley territory, on the one hand, and all points from Gilroy to Salinas, inclusive, located along U. S. Highway No. 101 and all points located along an unnumbered county highway between Hollister and the junction of said highway with State Highway No. 152, including Hollister, and all points located along an unnumbered county highway between Hollister and the junction of said highway with U. S. Highway No. 101, on the other hand.

Pacific Motor Trucking Company, its successors or assigns, may never claim before this Commission, or any court or

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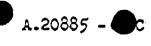
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other public body, a value for the authority hereby granted in excess of the actual cost thereof.

IT IS FURTHER ORDERED that, in the operation of said highway common carrier service, Pacific Motor Trucking Company shall comply with and observe the following service regulations:

- 1. File a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the date hereof.
- 2. Comply with the rules of the Commission's General Order No. 80 and Part IV of General Order No. 93-A, by filing, in triplicate, and concurrently making effective, tariffs and time schedules satisfactory to the Commission within sixty (60) days from the effective date hereof and on not less than five (5) days' notice to the Commission and the public.
- 3. Subject to the authority of this Commission to change or modify them at any time by further order, conduct said highway common carrier operations over and along the following routes:
  - Via State Highway No. 152 between Los Banos and Gilroy;
  - Via U. S. Highway No. 101 between Gilroy and Salinas.
  - Via an unnumbered county highway between the junction of such highway with State Highway No. 152 and Hollister.
  - Via an unnumbered county highway between the junction of such highway with U. S. Highway No. 101, which is located approximately five miles north of Dumbarton Road and Hollister;
  - Via State Highway No. 152 between Gilroy and Watsonville, as an alternate route;
  - Via State Highway No. 25 between a point located on U. S. Highway No. 101 approximately two miles south of Gilroy and a point located on an unnumbered county highway approximately one mile north of Hollister, as an alternate route;

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Via Chittenden Pass along an unnumbered county highway between the junction of such highway with U. S. Highway No. 101 and Watsonville, as an alternate route.

Via an unnumbered county highway which passes through Aromas and Dumbarton between the junction of such highway with U. S. Highway No. 101 and the junction of such unnumbered county highway with another unnumbered county highway referred to as Chittenden Pass Road, as an alternate route.

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

Dated at Junion, California, this 16 day an/, 1942. of COMMISSIONERS