

Decision No. 35972

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
VALLEY MOTOR LINES, INC., for auth- )  
ority to operate over alternate route) Application No. 25282  
between San Francisco Bay Cities, on )  
the one hand, and Sacramento, on the )  
other hand. )

WILLARD S. JOHNSON, for applicant.

J. E. BUNKER, for W. B. Grummel, District  
Manager, Office of Defense Transportation.

W. G. STONE, for Sacramento Chamber of  
Commerce, intervenor.

BY THE COMMISSION:

O P I N I O N

By its application, as amended, Valley Motor Lines, Inc., a corporation, seeks a certificate of public convenience and necessity authorizing operation as a highway common carrier, as defined by section 50-3/4, Public Utilities Act, between San Francisco Bay cities and Sacramento, via U. S. Highway No. 40, as an alternative to the present route via U. S. Highway No. 50 to Manteca and thence via U. S. Highway No. 99 to Sacramento. Operation over the alternate route would be limited to the transportation of traffic moving (1) between points which applicant now is authorized to serve north, east or west of Sacramento, on the one hand, and San Francisco Bay points or points beyond San Francisco Bay cities, on the other hand; and (2) between Sacramento, on the one hand, and points south of San Francisco and San Leandro, or north of San Francisco on U. S. Highway No. 101, on the other hand. No intermediate points

between Berkeley and Sacramento would be served, nor would there be transported over U. S. Highway No. 40 any traffic moving between San Francisco Bay cities, on the one hand, and the city of Sacramento, on the other hand.

Under certificates granted by this Commission, applicant is now authorized to operate as a highway common carrier (1) between San Francisco Bay cities and points north and south thereof, on the one hand, and points north, east and west of Sacramento, on the other hand. Traffic between these points must now be routed over U. S. Highway No. 50 to Manteca, thence via U. S. Highway No. 99 to Sacramento, and beyond that city over various highways reaching the ultimate points of origin or destination.

A public hearing was had before Examiner Austin at San Francisco on October 28, 1942 when the matter was submitted. The Sacramento Chamber of Commerce and the Office of Defense Transportation appeared, the former in support of the application. Applicant called its president and general manager, Harold Frasher, and W. G. Stone, manager of the Transportation and Industrial Department of the Sacramento Chamber of Commerce. The carriers now serving this territory, so the Commission's records disclose, have signified their consent to the granting of this (2) application. No one voiced any opposition to applicant's proposal.

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(1) Applicant is now authorized to serve the following San Francisco Bay cities, viz., San Francisco, Oakland, Alameda, Berkeley, Emeryville and San Leandro.

(2) Certain carriers now serving this territory have advised the Commission in writing that they have no objection to applicant's proposal. These carriers comprise Southern Pacific Company, Pacific Motor Trucking Company, The River Lines and Railway Express Agency, Inc.

The establishment of the alternate route, applicant asserts, would result in substantial operating economies, it would open the way for a more expeditious service, and it would facilitate the conservation of motor vehicle equipment and tires. The evidence presented supports these contentions.

Since the alternate route is shorter by some 45 miles than the route now used, the service could be conducted more economically, and tire consumption would be reduced. <sup>(3)</sup> Operations, it is estimated, would be reduced to the extent of 40,000 vehicle miles per month. The resulting saving in operating expense <sup>(4)</sup> would amount approximately to \$8,000 monthly. Included in this <sup>(5)</sup> would be a saving of \$600 per month in the cost of tires. And the curtailment of operations would tend to conserve both equipment and tires.

A large share of the traffic over this route would comprise commodities such as frozen fish and plumbing materials moving from Sacramento to points on the Coast Route south of San Francisco, including important military establishments. To points north of San Francisco applicant would transport freight now handled by proprietary operators. The service from Sacramento to the Coast Route territory, it was shown, is subject

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(3) Over the Manteca route the distance traversed is 136 miles; by Vallejo it is 91 miles, a difference of 45 miles.

(4) This figure is based upon applicant's system average of 20 cents per vehicle mile, covering the cost of operating a truck and trailer.

(5) This is predicated upon applicant's system average tire cost of  $1\frac{1}{2}$  cents per vehicle mile.

to delays occasioned by the reduced speed limits now applicable, which, in practice, prevent the observance of suitable connections at San Jose. If the alternate route were available, these delays would be avoided. A more even flow of traffic through the Sacramento terminal, it was shown, could be accomplished, and labor forces could be used to better advantage from the standpoint of both the applicant and its employees.

Traffic moving westbound from Sacramento, applicant proposes, would be carried on the truck now devoted exclusively to the transportation of interstate traffic between San Francisco Bay points and Reno, Nevada. Although space is available for local traffic consigned from Sacramento to San Francisco and beyond, this truck could not be used to handle eastbound freight to Sacramento as it now moves fully loaded with interstate traffic. However, to the extent mentioned, applicant's equipment could be utilized to better advantage since the load factor westbound would be substantially improved. Ordinarily, such eastbound freight would be handled through the Manteca terminal, although full loads might move over the alternate route if equipment were available.

A representative of the Federal Office of Defense Transportation called attention to General Orders Nos. 3 and 7, promulgated by that authority, relating to the conservation of both tires and equipment. Under the present proposal, applicant states, these requirements would be fully observed.

In our judgment a public need has been shown for the establishment of the alternate route. Accordingly, the application will be granted.

O R D E R

Application having been made as above entitled; and the Commission being of the opinion and now finding that public convenience and necessity so require:

IT IS ORDERED as follows:

(1) That a certificate of public convenience and necessity be and it hereby is granted to Valley Motor Lines, Inc., a corporation, authorizing operation as a highway common carrier, as defined by section 2-3/4, Public Utilities Act, between San Francisco Bay cities, viz., San Francisco, Oakland, Alameda, Berkeley, Emeryville and San Leandro, on the one hand, and Sacramento, on the other hand, via U. S. Highway No. 40, as an alternate route to that now used by applicant between said points via U. S. Highway No. 50 from San Francisco to Manteca and thence via U. S. Highway No. 99 to Sacramento.

This certificate is granted subject to the following conditions:

- (a) Said alternate route may be used only for the transportation of traffic moving:
  - (i) Between points which applicant is now authorized to serve, north, east or west of Sacramento, on the one hand, and San Francisco Bay points or points beyond San Francisco Bay cities, on the other hand.
  - (ii) Between Sacramento, on the one hand, and points south of San Francisco and San Leandro, or north of San Francisco on U. S. Highway No. 101, on the other hand.
- (b) That no service may be performed from or to any point intermediate between Berkeley and Sacramento nor between such intermediate points themselves.

- (c) That no traffic may be transported over said alternate route moving between San Francisco Bay cities, on the one hand, and the city of Sacramento, on the other hand.
- (d) That Valley Motor Lines, Inc., its successors or assigns, may never claim before this Commission or any court or other public body, a value, for any purpose, for the certificate herein granted in excess of the actual cost incurred by it in securing said operative authority.

(2) That in the operation of said highway common carrier service, applicant shall comply with and observe the following service regulations:

- (a) 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.
- (b) Applicant shall comply with the provisions of 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.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 23<sup>rd</sup> day of November, 1942.

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Frank R. Havens  
Richard K. Ketchum  
COMMISSIONERS