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Decision No. _37085

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of R. E. FORD, doing business as PACIFIC TRANSFER COMPANY, for a certificate of public convenience and necessity as a highway common carrier of property) by motor vehicle in pickup and delivery) service for Southern Pacific Company) and other common carriers between Sacramento, North Sacramento and adjacent territory.

BIGINAL

Application No. 25958

. BY THE COMMISSION:

<u>OPINION</u>

)

R. E. Ford, doing business as Pacific Transfer Company, seeks a certificate of public convenience and necessity for the establishment and operation of service as a highway common carrier between the freight depots of Southern Pacific Company, Pacific Motor Trucking Company, Western Pacific Railroad Company, Sacramento Northern Railway, Central California Traction Company and The River Lines in the city of Sacramento, on the one hand, and, on the other hand, points and places cutside the corporate limits of the city of Sacramento, but within the Sacramento pickup and delivery zone, as it is now, or it may hereafter, be designated in the Commission's Decision No. 31606, as amended in Case No. 4246. The service would be limited to the transportation of property in pickup and delivery service for said Southern Pacific Company, Pacific Motor Trucking Company, Western Pacific Railroad Company, Sacramento Northern Railway, Central California Traction Company and The River Lines.

Applicant does not propose to serve the public directly nor to transport any shipment moving locally between the

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points involved. The proposed service would be performed exclusively under contracts with the carriers above named. No shipment would be transported unless it has had an immediately prior or would have an immediately subsequent movement over the line or lines of these carriers.

The rates to be charged the shipping public for such service and the rules and regulations applicable thereto will be those contained in the tariff or tariffs to which Southern Pacific Company, Pacific Motor Trucking ^Company, Western Pacific Railroad Company, Sacramento Northern Railway, Central California Traction Company and The River Lines are parties, naming pickup and delivery rates. Applicant's compensation for his proposed service will be made by these carriers pursuant to agreements with applicant.

Applicant would not follow any definite routes in performing the proposed service but desires to operate over irregular routes and would use any and all public streets and highways lawfully open to truck operations they may be convenient within the territory to be served. The proposed service would be an on-call service to meet the requirements of the carriers whose traffic he proposes to handle.

Applicant asserts that he now holds a certificate of public convenience and necessity from the Interstate Commerce Commission authorizing operation as a common carrier by motor vehicle for the transportation of general commodities between points and places within seven miles of Sacramento, including Sacramento. To conduct this operation applicant maintains and operates at Sacramento and vicinity a large number of motor trucks, tractors and semi-trailers which would be used as necessary in the proposed service.

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As justification for the authority sought applicant asserts that the common carriers which he would serve have published and filed with this Commission tariffs naming pickup and delivery rates between points on their lines within Sacramento which, at Sacramento, are applicable within a definite pickup and delivery zone as prescribed by this Commission's Decision No. 31606, as amended, in Case No. 4246. Such zone includes territory lying within the incorporated municipalities of Sacramento and North Sacramento and certain areas lying within unincorporated county territory near these cities. These common carriers desire to employ applicant to perform their pickup and delivery service within this zone. Applicant asserts that he is now performing, and for many years has performed, pickup and delivery service for these carriers within the terminal area of Sacramento on shipments moving in interstate or foreign commerce which service constitutes a substantial operation. It is further asserted that the proposed coordinated pickup and delivery of shipments moving in both intrastate and interstate commerce performed under contractual arrangements with the above named common carriers will result in benefits to the shipping public and is in conformity with the orders issued by the Office of Defense Transportation governing the conservation of motor vehicle equipment and rubber.

After careful consideration of applicant's request it is our judgment and we so find that public convenience and necessity require the establishment and operation of service proposed by applicant. No public hearing is necessary as written waivers of protest have been received from all common carriers serving the territory involved.

R. E. Ford is placed upon notice that "operative rights" as such do not constitute a class of property which may be

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capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. 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.

<u>QRDER</u>

It having been found that public convenience and necessity so require,

IT IS ORDERED as follows:

(1) That a certificate of public convenience and necessity is hereby granted to R. E. Ford authorizing the establishment and operation of service as a highway common carrier, as defined in Section 2-3/4, Public Utilities Act, for the transportation of property between the freight depots of Southern Pacific Company, Pacific Motor Trucking Company, Western Pacific Railroad Company, Sacramento Northern Railway, Central California Traction Company and The River Lines, in the city of Sacramento, on the one hand, and North Sacramento and intermediate points, and points and places outside the corporate limits of the city of Secramento but within the Sacramento pickup and delivery zone defined in the Commission's Decision No. 34540, in Case No. 4246, on the other hand, as follows:

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Sacramento: (Mileage Basing Point, Sacramento.) All of the City of Sacramento, also territory located within one mile of the city limits and the territory bounded as follows:

Beginning at the point where Highway U.S. 40-Highway U.S. 99E (Del Paso Boulevard) intersects the northern city limits of Sccramento along said highway to Rio Linda Boulevard, northeasterly along Rio Linda Boulevard to Nogales Avenue, southeasterly along Nogales Avenue to 10th Street, southerly along 10th Street to East El Camino Avenue, easterly along East El Camino Avenue to 11th Street, southerly along lith Street to Bassetlaw Avenue, southeasterly along Bassetlaw Avenue to its junction with Swanston Road at Swanston Station including the plants of C. Swanston & Son, Lumbermen's Supply, Inc., Sacramento Wool Company, sacramento Feed Company and the Essex Lumber Company, returning westerly along Bassetlaw Avenue to its junction with Highway U.S. 40-99E (Del Paso Boulevard) and along Del Paso Boulevard to point of beginning.

Said certificate is granted subject to the following

conditions:

(a) The service to be performed by applicant shall be limited to that which is auxiliary to or supplemental of any movement under through bills of lading or freight receipts and all shipments shall receive in addition to the highway common carrier movement by applicant an immediately prior or an immediately subsequent movement over the lines of Southern Pacific Company, Pacific Motor Trucking Company, Sacramento Northern Railway, Central California Traction Company, . The River Lines or Western Pacific Railroad Company

(2) That in the operation of highway common carrier service pursuant to the foregoing certificate, R. E. Ford shall comply with and observe the following service regulations:

- 1. 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.
- 2. 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, appropriate tariffs and time schedules within 60 days from the effective date hereof and on not less than 5 days' notice to the Commission and the public.

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3. Subject to the authority of this Commission to change or modify them at any time by further order, applicant shall conduct said highway common carrier service over and along any appropriate streets or highways between the points authorized to be served.

The effective date of this order shall be the date

hereof. ____, California, this Dated at 315 , 1944. day of _____

COMMISSIONERS