

Decision No. 37343

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC MOTOR TRUCKING COMPANY for)
a certificate of public convenience)
and necessity to operate motor truck)
service as a common carrier between)
Roseville and Auburn, California,)
and intermediate points.)

Application No. 26226

ORIGINAL

WILLIAM MEINHOLD, for applicant.

W. G. STONE, Sacramento Chamber of Commerce,
proponent.

E. J. MUZIO, for Valley Motor Lines, Inc. and
Valley Express Company, interested
parties.

CRAEMER, Commissioner:

O P I N I O N

Pacific Motor Trucking Company, a subsidiary of Southern Pacific Company, herein applies for a certificate of public convenience and necessity to establish and operate motor truck service, as a highway common carrier of property between Roseville and Auburn, serving all intermediate points which are stations on the rail line of Southern Pacific Company, including the right to perform pickup and delivery service with line-haul equipment at each of said points.

A public hearing was held at Auburn on August 24, 1944, and the matter was submitted.

Applicant now holds a certificate authorizing operation as a highway common carrier between Tahoe City and Truckee and intermediate points and between Truckee and Auburn and intermediate points, as an extension and enlargement of its right between

(1)
Tahoe City and Lakeside and between Tahoe City and Brockway.
Likewise, it holds a certificate between Sacramento and Roseville
and all intermediate rail points, as part of a right between
(2)
Sacramento and Red Bluff.

The right sought, if granted, will operate as an extension
and enlargement of truck service presently conducted between Auburn
and Truckee. The record shows that applicant has heretofore been
authorized to purchase the operative rights of Nevada Pacific
Trucking Agency between Sacramento and Auburn and points beyond.
Such rights, however, do not permit service to intermediate points
(3)
between Sacramento and Auburn. The proposed operation will be
separate and apart from any operation which may be conducted under
rights to be acquired from Nevada Pacific Trucking Agency.

The application alleges that Sacramento is an originating
point for a substantial quantity of less-than-carload merchandise
traffic as well as a junction point for traffic moving to and from
points beyond the points herein proposed to be served. It is the
intention of applicant to provide service at such points similar
to that which it is now rendering at Auburn and Truckee. Shippers
and consignees located at points which are rail stations between
Roseville and Auburn require pickup and delivery service on rail
less-than-carload freight shipments, but do not receive this service
because it is impossible to employ the services of suitable contract
draymen at those points.

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- (1) Decision No. 29696, dated April 26, 1937, in Application No. 21067.
(2) Decision No. 35544, dated July 7, 1942, in Application No. 24647.
(3) Decision No. 36760, dated December 9, 1943, in Application No. 25865.

The proposed service, it is contended, will result in relief of congestion on the rail lines of Southern Pacific Company in the territory between Sacramento and Auburn, will permit Southern Pacific Company to effect substantial rail operating savings, and will provide a store-door pickup and delivery service where it is not now available.

Two operating witnesses testified for the applicant. From their testimony it appears that service will be provided daily, except Sundays and holidays, between Sacramento and Colfax, as set forth in Exhibit "B" attached to the application. Trucking equipment will be based at Sacramento. Equipment used in performing this line-haul operation will perform pickup and delivery service at all points on the proposed route with the exception of Auburn, where the present contract drayman will be retained. All less-than-carload shipments tendered to the rail line will be turned over to Pacific Motor Trucking Company for handling. The points proposed

(4)

PROPOSED TIME SCHEDULE
SACRAMENTO-AUBURN-COLFAX
Daily, Except Sundays & Holidays

	<u>Miles</u>			<u>Mon.-Wed.</u> <u>Thu.-Sat.</u>	<u>Tue.-Fri.</u>
5:00 AM	0	Lv Sacramento	Ar	2:45 PM	5:00 PM
(c)	21	Roseville		(c)	(c)
(1)(c)	25	Rocklin	Ar	1:20 PM	(c)
(1)(c)	28	Loomis	Ar	12:40 PM	(c)
(1)(c)	30	Penryn	Ar	12:10 PM	(c)
(1)(c)	33	Newcastle	Ar	11:40 PM	(c)
6:30 AM	37	Ar Auburn	Lv	11:30 AM	2:30 PM
(c)	40	Bowman		(c)	(c)
(c)	42	Clipper Gap		(c)	(c)
(c)	45	Applegate		(c)	(c)
(c)	49	Weimar		(c)	(c)
(c)	50	New England Mills		(c)	(c)
7:40 AM	55	Ar Colfax	Lv	10:00 AM	1:15 PM

(c) Truck will call only in connection with regularly operated schedules and only when there is traffic to be discharged or received.

(1) New points proposed to be served.

to be served are Rocklin, Loomis, Penryn and Newcastle. The limits within which pickup and delivery service will be rendered are set forth in the margin.⁽⁵⁾

According to the testimony of applicant's witnesses, the coordinated rail-truck service here proposed will result in a net annual saving of \$2,263 to applicant.⁽⁶⁾

The testimony of seven public witnesses who testified in support of the application was to the effect that present service was slow and unsatisfactory. These witnesses were shippers and consignees of less-than-carload shipments located at Auburn, Newcastle, Rocklin, Loomis and Penryn. Their shipments were of

(5) Statement Showing New Points Proposed To Be Served and Limits Within Which Pickup and Delivery Service Will be Rendered

<u>Station</u>	<u>Proposed Pickup and Delivery Limits</u>
Rocklin	City Limits.
Loomis	Within a radius of one mile from station.
Penryn	Within a radius of one mile from station.
Newcastle	Within a radius of one mile from station.

(6) Estimated Rail Operating Savings:

	<u>Per Annum</u>	
Local crew overtime account handling merchandise.....	\$1,260	
Fuel oil involved in delays incident to merchandise handling.....	125	
Merchandise car miles eliminated.....	687	
Per diem on foreign cars used.....	568	
Other transportation expense	129	
Elimination transfer expense at Colfax..	<u>2,331</u>	
Total.....		\$5,100
Estimated Additional Cost for		
Conducting proposed truck operations....	\$2,616	
Wages.....	78	
2% contingencies.....	54	
3 1/2% taxes.....	<u>89</u>	
Annual Saving..		<u>\$2,837</u>
		\$2,263

various commodities, substantial in frequency and volume, and were moved by Southern Pacific Company. In most cases the point of origin was Sacramento. The operator of a large store in Auburn testified that his shipments were delayed as much as ten days to two weeks. All of these witnesses expressed the opinion that the present service was unnecessarily slow and that they desired and would use a truck service which afforded store-door pickup and delivery facilities.

The Chambers of Commerce of Sacramento and Auburn favor the granting of the application as does also the DeWitt General Hospital, a United States Government installation near Auburn, which receives a constant flow of less-than-carload freight, mostly from Sacramento.

There was no opposition to the granting of the application. Valley Motor Lines, Inc. and Valley Express Company, operating in this area, entered an appearance as interested parties but had no part in the proceedings.

Applicant will be required to publish rates of the volume of those now maintained by the rail line.

From this record we conclude that the proposed service is in the public interest. It will extend to the territory between Roseville and Auburn a coordinated truck and rail service, under a common ownership and management, which will afford an improvement and economy in the rail line's less-than-carload service. At the same time, it is designed to provide a store-door pickup and delivery service at points where such service is not now available. The application will be granted.

Pacific Motor Trucking Company is hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be 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.

The following form of order is recommended.

O R D E R

Application having been made in the above entitled matter, a public hearing having been held, and the Commission being duly advised, and hereby finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be and it is hereby granted to Pacific Motor Trucking Company authorizing the operation of a highway common carrier service, as defined in Section 2-3/4 of the Public Utilities Act, between Roseville and Auburn, California; serving all intermediate points which are stations on the line of Southern Pacific Company, including the right to perform pickup and delivery service with line-haul equipment at each of said points, as an extension and enlargement of the operative rights described in the foregoing opinion, subject to the following condition:

(a) The service performed hereunder by applicant shall be limited to that which may be auxiliary to or supplemental of the rail service of Southern Pacific Company and to service rendered as an underlying carrier for any express corporation authorized to operate between the points which applicant is herein authorized to serve.

(2) That in providing service pursuant to the certificate herein granted, the following service regulations shall be complied with:

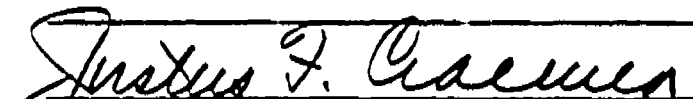
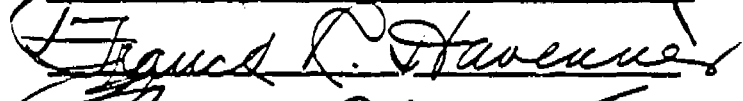
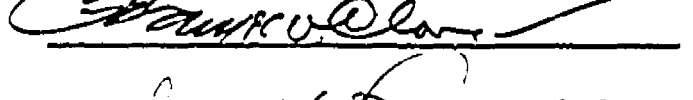

1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the effective date hereof.
2. Applicant shall comply with the provisions of General Order No. 80 and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective, appropriate tariffs and time schedules within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and the public.
3. Subject to the authority of the Commission to change or modify it by further order, applicant shall conduct operations, pursuant to the certificate herein granted, over and along the following route:

Between Roseville and Auburn over
U. S. Highway No. 40.

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

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 26th day of September, 1944.

 COMMISSIONERS