

Decision No. 38163

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of VALLEY)
MOTOR LINES, INC., for authority to operate)
over alternate routes between Sacramento, on)
the one hand, and Susanville, on the other)
hand.)

Application No. 26799

BY THE COMMISSION:

O P I N I O N

Under certificates previously issued by the Commission, Valley Motor Lines, Inc., a highway common carrier (referred to hereafter as Valley), is authorized to operate between Sacramento and Chico and intermediate points, on the one hand, and points located on State Highway No. 36 between Red Bluff Wye and Susanville, on the other hand. (1) By this application, Valley proposes to operate over certain alternate routes, as follows:

(a) From Marysville via State Highway No. 24 (the Feather River Highway) to its intersection with State Highway No. 89 approximately two miles west of Keddie; thence via State Highway No. 89 to Lake Almanor; and thence via an unnumbered county road on the east side of Lake Almanor to its intersection with State Highway No. 36 at Westwood.

(1) By Decision No. 34125, dated April 29, 1941, in Application No. 24060, Valley Motor Lines Inc. was authorized to acquire from United Motor Transport Lines, Inc. certain highway common carrier operative rights including authority to operate between Sacramento and Chico on the one hand, and Susanville and intermediate points north of Chico, on the other hand, subject to the restriction that no freight may be transported between Westwood and Red Bluff and intermediate points. (Decision No. 30225, dated October 11, 1937, in Application No. 21487) Subsequently, a certificate was issued to Valley under which it could operate between the points which United Motor was authorized to serve under Decision No. 30225 (among others), on the one hand, and on the other hand, points north of Wheatland including Ostrom, Marysville, Yuba City, Live Oak, Gridley, Biggs, Richvale, Nelson, Durham, Chico and all intermediate points between Chico and Wheatland (Decision No. 35610, dated July 28, 1942, in Applications Nos. 23687 and 23797).

(b) From Chico via State Highway No. 32 to its intersection with State Highway No. 36, (the Red Bluff - Susanville Highway) approximately 12 miles west of Chester.

No intermediate point situated upon either route would be served.

The alternate routes, so applicant alleges, are some 38 miles shorter than the present route. Because of the saving in operating mileage substantial economies could be effected and a more expeditious service provided.

The carriers in the field do not oppose the application; however, their consent has been conditioned upon the imposition of a limitation precluding service at intermediate points upon both alternate routes. The Commission has been so advised by Western Pacific Railroad Company, Southern Pacific Company, Pacific Motor Trucking Company and Railway Express Agency, Inc. Applicant has stipulated with Sacramento Valley Lines (a partnership composed of O. J. Boedcker and A. T. Rawlins), which serves the territory between Oroville and Greenville, as a highway common carrier, that applicant, in the event it is authorized to operate between Sacramento and Susanville via State Highways Nos. 24 and 89, will never advance, or urge before the Commission, the fact that it is operating over such route as a reason why it should be authorized to render service to or from any point located on such route east of Oroville to and including Greenville. In view of this stipulation, Sacramento Freight Lines withdrew the protest which it previously had voiced.

In our judgment the existence of a public need has been shown for the establishment of the proposed service and the application accordingly will be granted. This is not a matter requiring a public hearing.

Valley Motor Lines, Inc. is 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.

O R D E R

The above entitled application having been duly considered and the Commission 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 is hereby granted to Valley Motor Lines, Inc., a corporation, authorizing the establishment and operation of a service as a highway common carrier, as defined by Section 2-3/4, Public Utilities Act:

(a) Between Marysville and Westwood, via State Highway No. 24 from Marysville to the junction of said highway with State Highway No. 89; thence via State Highway No. 89 to Lake Almanor; thence via unnumbered county road situated on the east side of Lake Almanor to its junction with State Highway No. 36 at Westwood.

(b) Between Chico and the junction of State Highways Nos. 32 and 36, situated approximately 12 miles west of Chester, via State Highway No. 32.

This certificate is granted subject to the limitation that no freight may be transported to or from any point situated upon said alternate routes or either of them which may be intermediate to the terminals of said routes, respectively.

(2) That in providing service pursuant to the certificate herein granted, applicant 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 sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and the public.

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

Dated at San Francisco, California, this 28th
day of August, 1945.

Edward Ruden

Justus J. Carman

Richard H. H. H.

James H. H.

COMMISSIONERS