

ORIGINAL

Decision No. 39043

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) Application No. 26186
 service/as a highway common carrier)
 between Redding and Red Bluff, and)
 intermediate points./)

WM. MEINHOLD and R. E. WEDEKIND, for applicant.
 BEROL & HANDLER, for Truck Owners Association of
 California, and Oregon-Nevada-California Fast Freight,
 Inc., protestants.
 ARLO D. POE, for Motor Truck Association of Southern
 California, protestant.
 HUGH GORDON and WYMAN C. KNAPP, for Pacific Freight Lines
 and Pacific Freight Lines Express;
 WYMAN C. KNAPP, for Motor Truck Association of Southern
 California, United Van and Storage Association, Inc.,
 and California Van and Storage Association, intervenors.

OPINION ON REHEARING

In the above entitled application, Pacific Motor Trucking
 Company seeks a certificate of public convenience and necessity
 authorizing the establishment and operation of service as a highway
 common carrier, as defined in Section 2-3/4 of the Public Utilities
 Act, between Redding and Red Bluff and intermediate rail points.

Following a public hearing thereon, the Commission issued a
 (1)
 certificate as requested except that it was made subject to certain
 restrictions. Applicant did not accept the certificate as granted
 and, on April 19, 1945, filed a petition requesting the Commission
 to reconsider such decision and eliminate from the order thereof a
 restriction in substance requiring that all shipments transported
 pursuant to such certificate receive a prior or subsequent movement

(1) Decision No. 37773, dated April 3, 1945.

by rail in addition to truck movement by applicant. ⁽²⁾ Thereafter, the Commission granted a rehearing in the matter which was held before Examiner Paul at Redding on June 12, 1945, when the matter was again submitted. On November 19, 1945, the Commission set aside such submission and reopened this and other proceedings ⁽³⁾ to permit interested parties to present oral argument before the Commission en banc, which was held January 30, 1946, when the matter was again submitted.

At rehearing, applicant introduced evidence in support of the contention advanced in its petition for modification that the restriction first imposed requiring a prior or subsequent rail movement of shipments would not afford shippers a satisfactory service nor result in operating economics. On reconsideration, we believe that the evidence justifies the granting of a less restrictive certificate to operate trucks between these points. The position taken by protestants is that the granting of an unrestricted certificate might permit applicant to link up such new operative right with its existing rights both to the north and south of the territory here involved. They expressed the apprehension that applicant might then be placed in a position where it could render a

(2) The restriction which applicant requested be removed reads: "(c) The service herein authorized shall be limited to the transportation of shipments which applicant receives from or delivers to Southern Pacific Company. All of such shipments shall receive a prior or subsequent movement by rail in addition to movement by trucks by applicant."

(3) Oral argument was had in this proceeding and Application No. 26542 of Pacific Motor Trucking Company for a certificate between El Monte and Puente and Application No. 24315 of Pacific Motor Trucking Company for modification of certificate between Los Angeles, Pasadena, South Pasadena and San Marino. The two latter proceedings have been decided by Decision No. 38713 and Decision No. 38724, respectively.

through truck service between Sacramento and the Oregon border. Although the Commission's previous grants of authority to applicant have generally prescribed that its service should remain auxiliary to and supplemental of the rail service, protestants point out that such a restriction does not of itself serve as an adequate safeguard against a full linking up of various connecting operations, thus permitting an extensive all-truck service quite unrelated to the rail service of Southern Pacific, applicant's parent company.

The Commission is cognizant of the seriousness of the issue raised by protestants. However, the broad question presented is one which must be resolved in the light of the evidence offered in each case, and it would be inappropriate for us here to attempt, as the protestants' request, to lay down principles that will be applied in all future proceedings involving similar issues, whether they be certificate application or transfer proceedings.

In reply to protestants' argument, applicant disavows any intention to use this particular requested operative right, or any of its connecting rights, for the purpose of conducting a truck service unrelated to the rail service and directly competitive with the services rendered by the independent truck carriers. It declares its intention of continuing to coordinate rail and truck operations by employing trucks only as a means of improving and supplementing the rail service. It concedes that the Commission may properly impose appropriate restrictions to prevent through truck service beyond those rail points where shipments are ordinarily interchanged. Its counsel suggests that the certificate granted in this proceeding might properly designate key points through which truck service should not be conducted.

The facts of record bearing upon the need and efficiency of a truck operation beyond the points involved in this application are not as complete as might be desired. Although a need is sufficiently shown for a truck service between Redding and Red Bluff, including intermediate rail points, without requiring a prior or subsequent movement by rail, the record does not justify the granting of a certificate which would permit unrestricted truck operations through either of these cities. Applicant now maintains a motor pool at Chico. The evidence indicates that shipments between Chico and the territory here involved could be more expeditiously handled by truck than by rail and that such a service would be a benefit to shippers. However, the record does not justify the granting of an operative right between Redding and Red Bluff which would permit the handling of shipments by truck through Redding. Nor does the record justify the handling of shipments through Red Bluff, except those shipments moving between Redding and Chico and intermediate rail points. The certificate herein granted will be so conditioned.

ORDER ON REHEARING

A public rehearing and oral argument having been had in the above entitled application, the matter having been submitted and it being hereby 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 Pacific Motor Trucking Company, authorizing the establishment and operation of service as a highway common carrier, as defined in Section 2-3/4 of the Public Utilities Act, between Redding and Red Bluff, via U. S. Highway No. 99, with

diversion therefrom to serve the intermediate rail points, subject to the following conditions:

No shipments shall be transported through Redding; and no shipments shall be transported through Red Bluff except that shipments may be transported between Chico and Redding and intermediate rail points.

(2) That the order of Decision No. 37773, dated April 3, 1945, is hereby vacated and set aside.

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

Dated at San Francisco, California, this 5th day of June, 1946.

Harold Carlson
Justus F. Cooney
Franklin D. ...
David ...
Harold ...
COMMISSIONERS