

Decision No. 43427

OFFICIAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LESTER J. GRIJSBEEK and JOHN H.)
GRIJSBEEK, a copartnership, doing)
business as GRIJSBEEK TRUCKERS, for) Application No. 30123
a certificate of public convenience)
and necessity to operate as a highway)
common carrier for the transportation)
of lumber and other forest products.)

Marquam C. George, for applicant.
William Meinhold, for Southern Pacific Company, protestant.

O P I N I O N

The applicant herein seeks a certificate of public convenience and necessity to operate as a highway common carrier, as defined in Section 2-3/4 of the Public Utilities Act for the transportation of lumber and forest products between specified points in the Sacramento Valley and the San Francisco Bay area and between Corning and Laytonville, with a twenty-mile lateral adjacent to the proposed route.

A public hearing was held in Sacramento on April 20, 1949, before Examiner R. K. Hunter, at which time the matter was submitted.

The Southern Pacific Company protested the granting of any certificate authorizing service between points served by rail.

One of the applicant partners testified that they first started operations as haulers of logs about three and one-half years prior to the hearing. This continued for about six months, after which they commenced hauling lumber as permitted carriers.

The operation started with two truck and trailer units; presently seven are owned and in service.

Evidence introduced showed that the applicants have been hauling lumber between Viola, Anderson, Paskenta, Sacramento and San Francisco Bay points, and to and from off-route or off-highway points, although the major portion of the operations has been conducted between mill origins and the above-mentioned towns.

Testimony on behalf of applicants indicated that they are occasionally called upon to make deliveries of lumber and lumber products to users or consumers located at off-route points, that it is difficult to determine, due to the character of the demand, at exactly what points deliveries will be required, and, for that reason, how wide a lateral would be needed. It is evident that the requested twenty-mile lateral along U. S. Highway 40 between Sacramento ^{and San Francisco} would take in a populous consuming area and comprise a good market for this commodity.

As to the need for a twenty-mile lateral in the production area on the northern portion of the proposed route, the evidence showed that some of the mills in the area are several miles off the routes proposed and that there is a possibility of the establishment of additional sources of supply at such points.

It is well known that the lumber business has been steadily expanding in Northern California and that the mills have found it desirable to locate as near as possible to the new sources of supply. With the continued cutting of timber the sources of supply are moving farther from the principal highways.

With reference to the proposed route over an unnumbered

road between Corning and Laytonville the evidence showed that west of Paskenta said road runs through large stands of virgin timber; that it is questionable whether the road will be traversable during the winter; that the improvement of this road is contemplated at some uncertain future date; and that at the present time no saw mills are located in this area.

As to the protest by the Southern Pacific Company, it is our conclusion after considering the evidence that between rail points there is need for both rail and truck service.

The record shows that the applicants have the necessary financial ability, equipment, and experience to enable them to perform the proposed service.

After carefully reviewing the evidence of record we find that public convenience and necessity, (a) does not require the authorization of the proposed route west of Paskenta, and (b) does require the establishment of the remainder of the proposed service over the routes and between the points with a twenty-mile lateral right as set forth in the order.

The rates proposed are generally those established as minimum rates and the mileages used will be those promulgated by this Commission. For mileages from points of origin not shown on the Commission's map or distance table, the actual mileage plus 50% will be used. In order to be able to meet rail competitive rates between points served by rail and to establish rates based upon the shortest constructive mileage established by the Commission, authority has been requested to depart from the provisions of Section 24(a) of the Public Utilities Act and Article XII, Section 21 of the Constitution of the State of California. Such authority will be granted.

Lester J. Geijsbeek and John H. Geijsbeek are 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.

O R D E R

The above-numbered application having been filed, a public hearing having been held, and based upon the evidence of record and the conclusions and findings contained in the foregoing opinion,

IT IS ORDERED:

(1) That Lester J. Geijsbeek, and John H. Geijsbeek, copartners, are hereby granted a certificate of public convenience and necessity authorizing operations as a highway common carrier, as defined in Section 2-3/4 of the Public Utilities Act, for the transportation of lumber and forest products as defined in Highway Carrier Tariff No. 2, between the points and over the routes specified below:

- (a) Over State Highway 44 and an unnumbered road leaving said highway approximately 10 miles west of Shingletown, between Viola and Anderson,
- (b) Over U. S. Highway 99 and 99W between Anderson and Woodland,

- (c) Over an unnumbered road between Corning and Paskenta,
- (d) Over State Highway 16 between Woodland and Sacramento,
- (e) Over an unnumbered road via Madison and Winters between U. S. Highways 99W and 40,
- (f) Over an unnumbered road leaving U. S. Highway 99W approximately two miles west of Woodland between U. S. Highways 99W and 40,
- (g) Over U. S. Highway 40 between Sacramento and San Francisco,
- (h) With the right to serve all points located laterally within twenty (20) miles of the above routes, and
- (i) Intermediate points along and within the above-described routes and laterals,
- (j) All subject to the following restrictions:
 - (1) No local service between points twenty (20) miles south of Woodland,
 - (2) No service north of Anderson on U. S. Highway 99.

(2) That applicants are hereby authorized to depart from the provisions of Section 24(a) of the Public Utilities Act and Article XII, Section 21, of the Constitution of the State of California to the extent necessary to meet rail competitive rates between points served by rail and to establish the proposed rates based upon the shortest constructive mileages established by the Commission.

(3) That in providing service pursuant to the certificate herein granted, there shall be compliance with the following service regulations:

- a. Applicant shall file a written acceptance of the certificate herein granted within not to exceed 30 days after the effective date hereof.
- b. Applicants shall within 90 days after the effective date of this order and upon not

less than 5 days' notice to the Commission and the public, establish the service herein authorized and comply with the provisions of General Orders Nos. 80 and 93-A (Part IV), by filing in triplicate, and concurrently making effective, tariffs and time schedules satisfactory to the Commission.

(4) In all other respects Application No. 30123 is hereby denied.

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

Dated at San Francisco, California, this 18th day of October, 1949.

R. E. Indiguna
Justice F. Craven
Ray H. Powell
Harold P. Kula
Benjamin H. Potter
COMMISSIONERS