

ORIGINAL

Decision No. 43808

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
VALLEY MOTOR LINES, INC., for a )  
certificate of public convenience )  
and necessity to extend its operative )  
rights to certain off-line points )  
from its present routes, in the State )  
of California, as an extension and )  
enlargement of certain of its existing )  
rights. )

Application No. 29804

Boyd and Burton by R. Edward Burton for applicant  
Robert W. Walker and Frederic Jacobus by Frederic Jacobus  
for The Atchison, Topeka & Santa Fe Railway Company and  
Santa Fe Transportation Company, protestants.

O P I N I O N

In the above-entitled application, as amended, Valley Motor Lines, Inc., seeks a highway common carrier certificate authorizing an extension of its service to certain points in the San Joaquin Valley. Those points are in the general vicinity of Modesto, Turlock, Merced and Fresno. The latter points are now served by applicant in its operation along U. S. Highway No. 99. All the points proposed to be served are off that highway. Those in the vicinity of Modesto and Turlock are Riverbank, Oakdale, Empire, Hughson, Denair and Hilmar. Near Merced applicant would serve Planada, Legrand and El Nido. All of the foregoing proposed points of service except Hilmar and El Nido are rail points on The Atchison Topeka and Santa Fe Railway Company. At Fresno service would be extended to Pinedale, Sunnyside and Locan. Intermediate points along the extended routes would also be served. A public hearing was had before Examiner Paul at Modesto and at Fresno and the matter was submitted.

Applicant proposes to transport general commodities except uncrated household goods and related articles, uncrated livestock and liquid petroleum products in bulk in tank trucks and trailers.

Applicant's general traffic manager described its present operations and outlined the proposed plan of extended service. Applicant's main terminal is at Fresno. The witness stated that applicant also maintains terminal facilities and 15 small units of pickup and delivery equipment at Modesto. These and other units of equipment would be used to provide regular service daily except Saturdays, Sundays and holidays to, from and between points applicant proposes to serve. Applicant plans to construct a new terminal at Merced to be used instead of that rented from a local highway common carrier. According to the witness applicant has received many requests for the proposed service from shippers or receivers of freight at the various points it desires to serve, as well as similar requests from a number of civic organizations. The witness also testified that applicant handles considerable tonnage over its docks at Modesto, Merced and Turlock consigned to receivers at Riverbank, Hughson, Empire, Hilmar, Denair and other points proposed to be served. As applicant lacks authority to deliver such shipments, the consignees are compelled to provide their own pickup service at Modesto, Merced or Turlock in order to obtain next day deliveries.

Applicant called 32 public witnesses of whom approximately 20 were engaged in various types of business at or near Santa Fe Railway rail points. In substance these witnesses testified that they receive from, or make shipments to San Francisco Bay area points, San Jose, Sacramento, Stockton, Fresno, Los Angeles and other points served by applicant. Each week this less-carload traffic, on the

average, amounts to about 75 shipments of a gross weight of approximately 27 tons. These witnesses stated that from two to six days and in some cases longer periods of time elapse before shipments can be received when shipped by rail. In only a few instances did any witness receive an overnight service. They all expressed a need for a more rapid service and preferably an overnight service on shipments consigned from those points. It is noteworthy that with a few exceptions the only complaint they expressed against the rail service was the length of time in transit of shipments. The witnesses from points in the vicinity of Modesto stated that in order to obtain overnight service, they request that shipments be routed over applicant's line via Modesto, where they make their own pick ups. Witnesses from Hilmar are required to receive their shipments at applicant's terminal at Turlock and stated that they have a need for the proposed operation of applicant. When the witnesses from communities in the vicinity of Merced desire an overnight service they are required to pick up or deliver their shipments at applicant's terminal at Merced. A representative of a wholesale distributor at San Francisco testified that his firm had received numerous complaints of slow service from its customers at several of the points proposed to be served. These delays in service placed his company at a disadvantage in competing with local jobbing firms. Witnesses from Pinedale, Sunnyside and Locan, near Fresno, stated that they have no reliable common carrier service and desire the establishment of the operation proposed by applicant.

The only evidence produced by Santa Fe Railway was through the testimony of its Division Superintendent who described the service provided for less-carload traffic between the points involved. He testified that all the less-carload traffic offered the Santa Fe

Railway in the San Francisco Bay area is consolidated at Richmond where separate box cars are made up for Riverbank, Empire and Merced. The Merced car is loaded with freight for Merced only. Traffic destined to Modesto and Oakdale is loaded in the Empire car and the Riverbank car respectively. These cars move in a train leaving Richmond at 9:30 p.m. daily and are set out at Riverbank, Empire and Merced at approximately 1 a.m.; 1:30 a.m. and 3:30 a.m. respectively the following morning. In addition a peddler car leaves Richmond in the same train on Monday, Wednesday and Friday of each week connecting with a local freight train at Riverbank which peddles freight at Hughson, Empire, Denair, Fresno and intermediate rail points. At each of the points of San Francisco, Riverbank, Empire, Denair and Hughson, Santa Fe Railway maintains local contract draymen who provide pickup and delivery service at those points for rail traffic. Westbound traffic moves in a local rail freight car from Fresno on Mondays, Wednesdays and Fridays and peddles less-carload traffic at all the rail stations involved. The witness pointed out that under Office of Defense Transportation Rule No. 18-A, Santa Fe Railway is restricted in the use of box cars to minimum loads of 20,000 pounds, and that such minimum loads are not always available each day. He also pointed out that before the war it maintained local pickup and delivery at most of its rail points which was discontinued during the war but is being reestablished when it is able to obtain the use of a satisfactory local drayman. The witness further stated that Santa Fe Transportation Company, a wholly owned subsidiary of Santa Fe Railway has pending before the Commission an application (No. 27203) for

(1) On October 4, 1949, the Commission issued Decision No. 43355 on Application No. 27203. It authorizes Santa Fe Transportation Company to establish a highway common carrier service between San Francisco and Los Angeles and all points intermediate thereto on all lines of the parent rail carrier with certain exceptions. That decision also authorized operations between other points which are not involved herein.

authority to establish a highway common carrier service which, if granted, would enable it to provide an overnight service daily except Sundays and holidays at all rail points of its parent, the Santa Fe Railway, which are involved herein, among other points.

A review of the evidence in this proceeding shows that all the receivers of shipments of freight at the various points in the Modesto, Turlock and Merced areas expressed a need for an overnight delivery of shipments. In order to obtain such overnight delivery they have found it necessary to have their shipments routed via the lines of applicant with destination either at Modesto, Turlock or Merced. This requires them to provide their own delivery service from applicant's terminals at those points. Most of them expressed no preference as to the carrier who provided the service if overnight deliveries could be made at the ultimate destination. However, there were a few who expressed a desire for a through truck service without transfer. The witnesses from the communities in the vicinity of Fresno expressed a similar need for overnight service which is not now provided. There was no opposition to this part of applicant's proposal, nor to the proposal to serve Hilmar and El Nido.

After full consideration of all the evidence of record the Commission is of the opinion that establishment of the service proposed by applicant will afford a better service to the shipping public. The Commission finds that public convenience and necessity require that a certificate be granted to applicant authorizing it to establish the highway common carrier service proposed.

O R D E R

An application therefor having been filed, a public hearing had thereon and it having been found that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is hereby granted to Valley Motor Lines, Inc. authorizing the establishment and operation of service as a highway common carrier, as defined in Section 2-3/4 of the Public Utilities Act, for the transportation of property, except uncrated household goods and related articles, uncrated livestock, and liquid petroleum products in bulk in tank trucks and trailers, between Modesto, Riverbank and Oakdale and intermediate points; between Salida and McHenry and intermediate points; between Modesto, Empire, Hughson, Denair, Turlock, Hilmar, Irwin, Delhi and intermediate points; between Ceres and Hughson and intermediate points; and between Keyes and Berkeley Road and intermediate points. Also between Merced, Planada, Legrand, Minturn and intermediate points; between Legrand and junction of the county road with U. S. Highway 99 through Plainsburg, including intermediate points; between Merced and the junction of a county road with State Highway 152 south of El Nido including intermediate points. Also between Fresno and Herndon and intermediate points via Pinedale including intermediate points, and between Fresno, Sunnyside and Locan and intermediate points.

(2) That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

- a. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed 30 days from the effective date hereof.
- b. Within 60 days from the effective date hereof and on not less than 5 days' notice to the Commission and the public, applicant shall establish the service herein authorized and 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 tables.
- c. Subject to the authority of this Commission to change or modify them by further order, applicant shall conduct operations pursuant to the certificate herein granted, over and along public roads and highways directly connecting the points herein authorized to be served.

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

Dated at San Francisco, California, this 14<sup>th</sup> day of February, 1950.

R. Z. Dindman  
Justice F. C. Cullen  
Robert F. Doolittle  
Harold P. Kula  
Percey H. Patten  
COMMISSIONERS