

ORIGINAL

Decision No. 44147

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PALO ALTO TRANSFER AND STORAGE COMPANY,))
a corporation, for a certificate of)
public convenience and necessity to)
operate as a highway common carrier)
for the transportation of household)
goods.)

Application No. 30797

Frank Loughran, for applicant.

O P I N I O N

Palo Alto Transfer and Storage Company, by this appli-
cation, as amended, seeks a certificate of public convenience and
necessity authorizing operations as a highway common carrier for
the transportation of certain commodities over the following routes:

- (1) Sunnyvale to San Rafael via U. S. Highway 101 or 101 By-Pass; San Francisco to San Rafael via Golden Gate Bridge and U. S. Highway 101; San Francisco to Oakland via San Francisco Bay Bridge.
- (2) Sunnyvale to Milpitas via State Highway 9; Milpitas to Oakland via State Highway 17; Oakland to Richmond via State Highway 17.

Applicant proposes service from, to and between all points on said routes as well as laterally within 15 miles on either side of the highways used. No lateral service, however, will be

(1) (a) Used Household Goods, viz.: household or personal effects commonly used in a household, such as clothing, furniture, furnishings, radios, musical instruments, stoves and refrigerators; (b) Used Fixtures and Equipment, such as furniture, furnishings, and other appurtenances commonly used in a store, office, museum, institution, hospital, or other establishment; (c) New Household Goods, Fixtures and Equipment, as described in (a) and (b), when not intended for purpose of resale.

furnished south of State Highway 9, nor north of a line drawn easterly and westerly through San Rafael and Richmond, respectively. Divergence from Routes 1 or 2 for service from, to or between points on either of said routes will be accomplished by use of San Francisco Bay Bridge or Dumbarton Bridge. Applicant proposes to establish rates at the level charged by other certificated household goods carriers operating in the same territory. Relief from Section 24(a), Public Utilities Act, is sought because of the alternative routes proposed.

A public hearing was held at Palo Alto on April 3, 1950, before Examiner Gregory. There were no protests.

Applicant has been engaged in the transportation of household goods and effects since 1912. Terminal and warehouse facilities are maintained at Palo Alto. Financial and equipment resources appear to be adequate for inauguration of the proposed operation.

The evidence shows that applicant has handled an increasing number of small shipments during the last few years. Shipments now take place daily between most of the points sought to be served. Fixed schedules are not contemplated at the inception of the service, but may be established later.

The evidence indicates a substantial growth in population and industry in Palo Alto and the surrounding area. Four public
(2)
witnesses who had used applicant's service testified that it had

(2) The storekeeper at Stanford University; an apartment house manager; an aircraft plant official; a furniture and antique dealer.

been satisfactory and they would continue to use it, but that they desired a service under fixed tariff rates.

We find that public convenience and necessity require that this application be granted. However, the extent of the relief from the provisions of Section 24(a) of the Public Utilities Act or the justification therefor is not clearly shown, and the request for such relief will be denied without prejudice.

Palo Alto Transfer and Storage 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.

O R D E R

A public hearing having been held, the matter having been submitted, the Commission being fully advised and basing its order upon the findings and conclusions contained in the foregoing opinion,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be and it is hereby granted to Palo Alto Transfer and Storage 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, for the transportation of (a) Used

Household Goods, such as clothing, furniture, furnishings, radios, musical instruments, stoves and refrigerators, (b) Used Fixtures and Equipment, such as furniture, furnishings and other appurtenances commonly used in a store, office, museum, institution, hospital, or other establishment, (c) New Household Goods, Fixtures and Equipment, as described in (a) and (b), when not intended for resale, between Sunnyvale and San Rafael and between Sunnyvale and Richmond, together with all points intermediate thereto, along the routes hereinafter described, and all points situated within a distance of 15 miles laterally on either side of said routes; provided, however, that no lateral service may be rendered or furnished south of State Highway 9, nor north of a line drawn easterly and westerly through San Rafael and Richmond, respectively.

(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 thirty (30) days after the effective date hereof.
- b. Within sixty (60) days after the effective date hereof and on not less than five (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 the following routes:

ROUTE 1: Sunnyvale to San Rafael, via U. S. Highway 101 or 101 By-Pass; San Francisco to San Rafael, via Golden Gate Bridge and U. S. Highway 101; San Francisco to Oakland, via the San Francisco Bay Bridge.

ROUTE 2: Sunnyvale to Milpitas, via State Highway 9; Milpitas to Oakland, via State Highway 17; Oakland to Richmond, via State Highway 17.

Divergence from Routes 1 or 2 for service from, to or between points on either of said routes may be effected by use of San Francisco Bay Bridge or Dumbarton Bridge.

(3) That applicant's request for authority 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, be and it is hereby denied without prejudice.

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

Dated at San Francisco, California, this 9th day of May, 1950.

R. E. Dutton
Justice F. Green
Charles F. Lowell
Harold A. Hule
Kenneth Potter
COMMISSIONERS