

ORIGINAL

Decision No. 44262

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of OILFIELDS TRUCKING COMPANY, a corporation, for a certificate of public convenience and necessity to operate as a highway common carrier for the transportation of property.)))))))	Application No. 30691
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In the Matter of the Application of JOHN A. LACEY, doing business under the firm name of LACEY TRUCKING COMPANY, for a certificate of public convenience and necessity to operate as a highway common carrier for the transportation of property.))))))))	Application No. 30806
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Phil Jacobson for Oilfields Trucking Company and Lacey Trucking Company. Douglas Brookman for Common Carrier Conference of Truck Owners Assn. of California; E. L. H. Bissinger for Southern Pacific Company, Pacific Motor Trucking Co., and Pacific Electric Railway Company; Donald Murchison for Pacific Freight Lines and Pacific Freight Lines Express; protestants. Rush Swoape in propria persona, and William H. Stewart for Daigh & Stewart Truck Co.; interested parties.

O P I N I O N

Applicant John A. Lacey, an individual, doing business as Lacey Trucking Company, and applicant Oilfields Trucking Company, a California corporation, each request authority herein to establish service as a highway common carrier for the transportation of "property necessary or incidental to the establishment, maintenance, or dismantling of oil, gas, or water wells, pipe lines, refineries, and cracking or casing head plants, equipment and material used

in construction and equipment used in farming,"⁽¹⁾ over specified routes. The routes requested by each applicant are identical.

Public hearings were held before Examiner Syphers at Bakersfield, California, on February 1 and 2, 1950, at which times evidence was adduced and on the last-named date the matters were submitted.

Oilfields Trucking Company maintains its principal place of business at Bakersfield and also has branches at Torrance and Taft. It presently conducts trucking operations under authority of a certificate of public convenience and necessity, issued by this Commission, authorizing the transportation of petroleum products in bulk, with certain exceptions over designated routes throughout the State of California. Also, this company, according to the testimony, has hauled and is hauling the type of commodities for which authority is requested herein, under permits issued by this Commission by virtue of the Highway Carriers' Act (Statutes 1935, Chapter 223, as amended) and the City Carriers' Act (Statutes 1935, Chapter 312, as amended).

Exhibit 1 consists of a balance sheet for this applicant, as of December 31, 1949, and Exhibit 2 is a list of equipment. Exhibit 3 is a list of points of origin and destination to and from which shipments have been made, showing the commodities hauled, while Exhibit 4 is a list of shippers served.

Lacey Trucking Company maintains its principal place of business at Long Beach and also has branches at Bakersfield,

(1) The applications, as originally filed, included farm products but this was eliminated by amendments made at the hearing.

Fillmore, and Río Vista. This carrier has hauled and is hauling the types of commodities for which authority is requested herein, under Highway, Contract, and City Carrier permits.

Exhibit L-1 consists of a balance sheet as of December 31, 1949, and an income statement for the period ending December 31, 1949. Exhibit L-2 is a list of points of origin and destination served by this applicant together with the commodities hauled. Exhibit L-3 is a list of the shippers served.

Testimony was presented on behalf of both of these applicants to the effect that, while they were presently conducting operations under permits, their respective businesses have increased to the point where it is now desirable to have their status clarified.

Public witnesses testified as to the need for hauling by each of these carriers and in this connection it should be noted that practically all of the hauling of these carriers is either to or from an oil-well site or to or from storage yards. Likewise, it should be noted that in each application there is a restriction requested to the effect that the applicant shall not transport any shipment which shall carry a charge lower than that applicable to a shipment of 10,000 pounds. In addition to the eight public witnesses who presented testimony at the hearing, it was stipulated by the parties that other public witnesses would have presented similar testimony had they been called.

Upon full consideration of this record, we are of the opinion and hereby find that public convenience and necessity

justify the granting of the authorities requested with the exception of farm products.

Oilfields Trucking Company and John A. Lacey, doing business as Lacey Trucking Company, are, and each of them 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

Applications having been filed, public hearings having been held thereon, the Commission being fully advised in the premises and hereby finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity, authorizing the establishment and operation of a service as a highway common carrier, as defined in Section 2 3/4 of the Public Utilities Act, for the transportation of property necessary or incidental to the establishment, maintenance, or dismantling of oil, gas, or water wells, pipe lines, refineries, and cracking or casing head plants, equipment and material used in construction,

and equipment used in farming, be, and it hereby is, granted to Oilfields Trucking Company, a corporation, and to John A. Lacey, an individual, doing business as Lacey Trucking Company, upon and along the following described routes, including all intermediate points, with the right to make lateral departures therefrom within a radius of 50 miles of such routes:

U. S. 101 and U. S. 101 By-Pass between Oregon-California State Line and California-Mexico Line;

U. S. 99, 99-E, and 99-W between Oregon-California State Line and the Mexican Border;

U. S. 299 between Redding and Alturas, California;

U. S. 395 between the Oregon-California State Line and the California-Nevada State Line, via Alturas and Johnstonville;

State Highway 36 between Junction 99-E near Red Bluff, California, and Junction U. S. 395 at Johnstonville;

State Highway 20 between Marysville, California, and Junction U. S. 40;

U. S. 40 between San Francisco and California-Nevada State Line;

U. S. 50 between Sacramento, California, and California-Nevada State Line;

U. S. 395 between California-Nevada State Line at Topaz Lake and Junction U. S. 66;

U. S. 66 between Los Angeles and Needles, California;

U. S. 60 between Los Angeles, California, and California-Arizona State Line;

U. S. 91 and 466 between Barstow and Nevada-California State Line;

U. S. 80 between San Diego and California-Arizona State Line;

State Highway 127 between Baker and Nevada-California State Line.

(2) That the authority herein granted shall be subject to the following restrictions:

- (a) Applicant shall not transport any shipment which shall carry a charge lower than that applicable to a shipment of 10,000 pounds.
- (b) Transportation performed under the authority herein granted shall be limited to commodities originating at or destined to an oil-well site or originating at or destined to a storage yard.

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

- (a) Within thirty (30) days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted.
- (b) Within sixty (60) days after the effective date hereof, and upon 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, tariffs and time schedules satisfactory to the Commission.

In all other respects, Applications Nos. 30691 and 30806 are hereby denied.

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

Dated at San Francisco, California, this 26th day of May, 1950.

R. E. Dumas
Justice J. Callahan
Dep. of Commerce
Harold H. Hill
Forrest P. Potter
COMMISSIONERS