

ORIGINAL

Decision No. 46240

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Walter J. Johnson and Rose A.)
Johnson, copartners, doing busi-)
ness as Johnson Truck Lines, for) Application No. 31595
a certificate of public conven-)
ience and necessity to extend its)
service.)

Frank Loughran, for applicant.
Clair W. MacLeod and E. Preston, for Interlines
Motor Express; Douglas Brookman and N. R. Moon,
for Merchants Express Corporation; William
Meinhold, Frederick E. Fuhrman, W. A. Gregory, Jr.
and D. V. Chandler, for Southern Pacific Company
and Pacific Motor Express; and W. L. Warner, for
Sacramento Auto Truck Company, protestants.
Ed Mores, for Valley Motor Lines, Inc. and Valley
Express Company, interested parties.

O P I N I O N

By the instant application, Walter J. Johnson and Rose A. Johnson seek highway common carrier authority to transport commodities from the Bay Area to all points in the Sacramento Valley between Woodland on the south and Corning and Los Molinos on the north, except such points as they are presently certificated to serve, and locally between such Sacramento Valley points. Under their present certificate (Decision No. 42643, dated March 22, 1949), applicants are authorized to transport general commodities between San Francisco, Oakland, Emeryville, Berkeley, Albany, Richmond, Alameda and San Leandro, on the one hand, and Yuba City, Marysville, Chico, Oroville and intermediate points, on the other hand.

Public hearings were held before Examiner Gillard in Orland, Colusa, Woodland and San Francisco, and the matter submitted on August 14, 1951.

Applicants operate their present service with 91 pieces of equipment and five terminals located in San Francisco, Richmond, Yuba City, Oroville and Chico. For the year 1950, they received \$700,457 in gross revenue and \$30,471 in net profit; \$119,786 of this gross revenue was derived from applicants' permitted operations, almost all of which were conducted in the territory herein sought. To the points for which a certificate is sought herein, applicants have been operating an unscheduled service under the authority of permits issued by this Commission in 1936. They propose to establish terminals in Woodland, Orland and Colusa from which distribution will be made to contiguous areas. Line-haul trucks from Richmond are scheduled to arrive at Woodland at midnight, at Colusa by 2 a.m. and at Orland by 3 a.m., with local distribution commencing from each of these points at 8 a.m. Rates for the proposed service would be at the level of Highway Carriers' Tariff No. 2.

Applicants introduced into evidence exhibits which set forth all shipments transported by them to and from the points herein sought, for the period July 1, 1949 through March 31, 1951. These exhibits show frequent and consistent shipments to Woodland, Olivehurst, Sutter, Meridian, Oswald, Colusa, Palermo and Hamilton City. To all other points, shipments averaged two or less per month. The exhibits disclose a consistent pattern of consignors and consignees throughout the entire 21 months covered. During the calendar year 1950, these shipments totaled 5,129,774 pounds and included steel and steel products, pipe and fittings, hardware, fresh, canned and processed food, machinery and parts, lumber and building materials, electrical supplies, paper products, dry goods, soap products, home appliances, paint, auto parts and appliances, drugs and chemicals.

Public witnesses produced by applicants did not all show a convincing need for additional highway common carrier services. Many of the consignee witnesses had not used the permitted services of applicants, and failed to show substantial reasons why the existing certificated carriers could not meet their needs. Exceptions to this general situation occurred with respect to witnesses located in Ord Bend, Palermo, Sutter and Woodland, who received shipments from the Bay Area, and Woodland witnesses who shipped to Sacramento Valley points and were of the opinion that the Woodland terminal proposed by applicants would be of great assistance to them in making such shipments. Destination points mentioned by these latter witnesses include Yuba City, Marysville, Gridley, Oroville and Chico. A few other witnesses had a need for applicants' services for occasional shipments moving locally between other valley points.

Some of the Bay Area shipper witnesses testified they have been using applicants' permitted service and will continue to do so if this certificate is granted. The bulk of the shipments of these witnesses, as disclosed in the exhibits heretofore discussed, is concentrated in the area between Colusa, Yuba City and Woodland. Other witnesses were using applicants' certificated service and found it highly satisfactory. They also have shipments moving to most points along U. S. Highway 99W between Woodland and Corning, and want applicants to serve them in that territory. Although some of these witnesses (four) have special problems with reference to steel, pipe, refrigerated drugs and fresh meats, that they claim are not being solved by the existing carriers, they are so few in number that we cannot find a public need for additional services to this area. No substantial evidence was presented concerning the area on U. S. Highway 99E north of Chico.

Witnesses were produced by protestants who testified, in general, that their shipping needs were being fulfilled satisfactorily by these carriers. Both Merchants Express Corporation and Southern Pacific - Pacific Motor Trucking presented testimony as to their physical operations and time schedules. Merchants also presented a traffic study for the week of February 5, 1951 which disclosed that 88 per cent of its shipments to the area involved from Bay Area points were overnight. Of the points sought to be served by applicants, Merchants does not serve Olivehurst, Palermo, Hamilton City, Glenn, Ord Bend, Princeton, Yolo, and points on State Highway 24 between Woodland and Yuba City. Southern Pacific - Pacific Motor Trucking do not serve Meridian, Olivehurst and Sutter. The evidence produced by these protestants is not convincing that there is no need for applicants' services in the area involved.

Upon the record we find that public convenience and necessity require that the application be granted to the extent set forth in the ensuing order. The request for relief from Section 24(a) of the Public Utilities Act will be denied without prejudice.

O R D E R

Public hearings having been held in the above-entitled proceeding, and the Commission upon the evidence received having found that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be and it is hereby granted to Walter J. Johnson and Rose A. Johnson authorizing the establishment and operation of a service as a high-way common carrier (as defined in Section 2-3/4 of the Public Utilities Act) for the transportation of general commodities except uncrated household goods and personal effects, uncrated livestock,

liquid petroleum in bulk, and articles of unusual value (a) between San Francisco, Oakland, Emeryville, Berkeley, Albany, Richmond, Alameda and San Leandro, on the one hand, and Woodland, Yuba City and intermediate points, Yuba City, Colusa and intermediate points, Chico, Hamilton City and intermediate points, Hamilton City, Colusa and intermediate points, Olivehurst and Palermo, on the other hand, and (b) locally between all points north of Woodland, including Woodland, herein or heretofore authorized to be served by applicants.

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

- (a) Within thirty (30) days after the effective date hereof, applicants 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, applicants 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.
- (c) Subject to the authority of this Commission to change or modify them by further order, applicants shall conduct operations pursuant to the certificate herein granted over and along the following routes: Between Yuba City and Colusa: California Highway 20; between Chico and Hamilton City: California Highway 32; between Hamilton City and Colusa: Unnumbered highway; and any available roads to the off-line points of Olivehurst and Palermo.

(3) In all other respects, the application is hereby denied.

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

Dated at San Francisco, California, this 2nd day of October, 1951.

R. J. [Signature]
President
Justin F. [Signature]
Harold P. [Signature]
John E. [Signature]
Commissioners