ORIGINAL

Decision No. 46715

A.32189 - JD

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ) DELTA LINES, INC. for a certificate ) of public convenience and necessity ) A to extend its operations to Travis ) Air Force Base at Fairfield and United) States Navy Base at Port Chicago. )

Application No. 32189

Frederick W. Mielke, for applicant. William J. Connelly and John J. Taheny, for Doyle Draying Company, protestant. Frank Loughran, for Jacques Reutlinger doing business as Bonded Draying Service, protestant.

## <u>O P I N I O N</u>

This is an application of Delta Lines, Inc. for a certificate of public convenience and necessity to extend its highway common carrier service to Travis Air Force Base at Fairfield and U. S. Navy Base at Port Chicago. The application is protested by Bonded Draying Service and Doyle Draying Company.

Public hearings were held in San Francisco before Examiner Gannon and the matter was submitted.

Generally, the applicant carrier operates between the bay area points, Stockton, Sacramento and intermediate points including Port Chicago and Suisun-Fairfield. The Navy Base at Port Chicago is located adjacent to the community of Port Chicago.

Doyle Draying Company operates between San Francisco and Oakland, on the one hand, and U. S. Navy Depot near Port Chicago, on the other hand.

Bonded Draying Service holds a certificate authorizing operation between San Francisco and seven bay area points and into Travis Air Force Base located seven miles from Fairfield.

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Applicant is requesting authority to extend its operations as follows:

1. To Travis Air Force Base via State Highway 12 from Fairfield, a point presently served by applicant and situated approximately seven miles from the Air Base; and

2. To United States Navy Base at Port Chicago via unnumbered highway from Port Chicago, a point now served by applicant and situated approximately two to four miles from the Navy Base.

Applicant proposes to operate daily overnight service Monday through Friday between all the points on its lines and the points to which it herein requests authority to extend its service. Rates will be commensurate with those now maintained by applicant and published in its tariffs.

The president of applicant company testified that it was not his idea to attempt the development of too much tonnage in the points he requests to serve, but rather to relieve shippers of the inconvenience of having their shipments turned back to them because applicant does not serve the points which they pass every day.

The testimony of some 14 public witnesses was offered in support of the application. There was not much variance in their testimony. The service proposed is necessary, they stated, and would be used if established. The only service presently rendered to the Air Base is by Bonded Draying Service, which, it was alleged is slow, and frequently shipments are not picked up until the day following the call. One of applicant's witnesses testified that 75 per cent of Bonded shipments are not picked up on the day requested. Most of the shipments originate at bay

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area points and are destined to the Base. Some shippers use their own equipment to offset these difficulties. They want overnight service and feel assured that applicant would furnish it.

Applicant alloges that it has frequently been urged to transport shipments to both points. Shipments are often accepted by the drivers through mistake, not knowing that Delta does not serve the Base. Applicant has terminals at San Francisco, Oakland, Sacramento, Stockton, Fairfield and other points.

## Bonded Draying Service

Bonded Draying Service, principal protestant herein, has operated into Travis Air Base for four years. Three daily schedules are operated between the bay area and the Base, namely at 6, 7 and 8 a.m. A pickup is made at 3:30 p.m. Merchandise picked up one day is delivered the next morning. Traffic to the air Base is more or less limited since shipments consist largely of commodities required by service men and are not bulky. The testimony shows that for the six-months' period ending June 30, 1951, a gross revenue of \$15,659 was derived by Bonded from the movement of freight from San Francisco points to the Base. <u>Doyle Service</u>

Also protesting the granting of the application is Doyle Draying Company serving on-call between San Francisco and Oakland, on the one hand, and the United States Navy Depot near Port Chicago, on the other hand. James E. Doyle is the sole owner of the business and has been operating into Port Chicago since 1943. Doyle testified that he is moving not over 16 tons per week in l.c.l. pickups making from one to a dozen trips per week. He stated that his business yielded him barely enough revenue to afford a living. There has been no complaint against the service

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he is rendering, at least not since the close of World War II when his service was materially disrupted. Testifying in his own behalf, Doyle stated that he was giving all the service to Port Chicago for which demand was made. The bulk of the shipments into Port Chicago are consigned to the Navy Base.

It cannot be maintained that the testimony of applicant's witnesses indicates a substantial need for additional service between the points herein involved. The testimony of the 14 witnesses is far from convincing if we look at the service by and large. At best the granting of the application would result only in dividing a limited volume of traffic between two carriers which is presently adequately handled by one. From the testimony it would not appear that the small volume of traffic destined to the respective Bases is sufficient to divide between two carriers.

Applicant places stress upon the fact that it is greatly inconvenienced by repeated requests to transport shipments destined to other points, and that this has happened 15 or 20 times in the past six months. On cross-examination applicant's president testified that he did not know how many shipments had been thus tendered. In any event, it would appear that the matter is not one that cannot, in time, be corrected or at least minimized.

An analysis of the testimony of public witnesses who protested the application results in the conclusion that all had about the same experience with their shipments. Most of them received overnight service on shipments to the Airforce Base and the Navy Depot and had on an average two or three shipments per week, the service was uniformly satisfactory and they would not transfer their business to another carrier. They were receiving adequate servic<sup>o</sup> from both Bonded and Doyle Draying.

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Insofar as the application itself is concerned, it is supported only by the testimony of some 14 witnesses, all shippers or receivers of freight in the bay district. In view of the fact that the Air Base would be the chief beneficiary of any increased service, it is reasonable to assume that it would be represented at the hearing by an authorized witness from the Air Force Base. No one representing the Base appeared nor was any communication regarding the matter received by the Commission. We assume, therefore, that the Base personnel is satisfied with the present service.

As stated above, the applicant declared that it does not desire to develop additional tonnage but rather to remove inconveniences that exist by reason of not being permitted to pick up shipments intended for the Base.

Analysis of the evidence of record requires the conclusion that public convenience and necessity has not been established.

Having given due consideration to this matter the Commission is of the opinion and finds that Application No. 32189 should be denied and it will be so ordered.

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Application as above entitled having been filed, public hearing having been held and the Commission being fully advised,

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IT IS ORDERED that Application No. 32189 bc and it is hereby denied.

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

days	Dated at Saw Fram	àsed,	California,	this <u>5</u> th
day o	E February,		,	

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