

Decision No. 47010**ORIGINAL**

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 operate as a highway)
 common carrier for the transportation)
 of property between Los Angeles on the)
 one hand and Bakersfield and various)
 points and places intermediate between)
 Bakersfield and Yettam on the other)
 hand and between Fresno and points)
 intermediate between Fresno and Tulare)
 on the one hand and Bakersfield and)
 points intermediate between Bakersfield)
 and Yettam on the other hand.)

Application No. 31770

R. Edward Burton, for applicant.
Gordon and Knapp, by Hugh Gordon, for Pacific
 Freight Lines, Pacific Freight Lines Express,
 and Desert Express, protestants; R. W. Walker
 and F. G. Pfrommer, by F. G. Pfrommer, for
 The Atchison, Topeka & Santa Fe Railway Company
 and Santa Fe Transportation Company, protestants.

O P I N I O N

In this application, Valley Motor Lines, Inc. seeks a
 highway common carrier certificate for the transportation of property,
 (1)
 subject to the exceptions noted in the margin, in general,

- (a) between the Los Angeles territory as described in
 Item 270-A of Highway Carriers' Tariff No. 2, on the
 one hand, and, on the other hand, Bakersfield and
 points along U. S. Highway 99 to but not including
 Tulare; Rosedale, Shafter and Wasco, which are

(1) The exceptions are uncrated household goods and other commodities
 for which the Commission has prescribed minimum rates in Appendix
 "A", Decision No. 32325, City Carriers' Tariff No. 3, Highway
 Carriers' Tariff No. 4, livestock, commodities in bulk, articles
 of extraordinary value, commodities injurious or contaminating
 to other lading, dangerous explosives, and petroleum in bulk.

situated westerly of that part of U. S. Highway 99 between Bakersfield and Famoso; and points in the area generally referred to as the Porterville-Lindsay-Exeter loop consisting, among others, of Famoso, Richgrove, Porterville, Lindsay, Exeter, Visalia, Yettam, Woodlake, Ivanhoe, Minkler and Centerville;

- (b) between Fresno and Tulare and intermediate points along U. S. Highway 99, on the one hand, and, on the other hand, all of the foregoing referred-to points except Los Angeles territory as defined in Item 270-A of Highway Carriers' Tariff No. 2; and
- (c) between all points in the San Joaquin Valley sought to be served by this application.

Nine days of public hearing in this proceeding were had before Examiner Paul at Fresno, Los Angeles and Bakersfield during January and March, 1951. The matter was submitted subject to the filing of briefs, which have been received.

A brief generalized description of the extent of applicant's present operations will be helpful to an understanding of the authority herein sought. Applicant conducts a highway common carrier service, serving the public directly between Tulare, Fresno, Merced, Modesto, Oakdale, Stockton, Oakland, San Francisco, Sacramento, Auburn, Marysville, Red Bluff, Redding and Susanville, serving many of the intermediate points and subject to many limitations and restrictions. The principal routes of this operation are over U. S. Highway 99 between Tulare and Sacramento, thence over U. S. Highway 99E and 99W between Sacramento and Red Bluff and over U. S. Highway 50 between Stockton and San Francisco Bay points. Other routes are also used between San Joaquin Valley points and San Francisco Bay points. Over some of the routes used between these points all .

intermediate points are served, while over other routes various limitations and restrictions apply. A service is also provided between the Los Angeles commercial zone, on the one hand, and, on the other hand, points in the Hanford area including, among others, the points of Hanford, Corcoran, Lemoore and Riverdale. U. S. Highway 99 is used between Los Angeles and points of diversion at Earlimart and at the junction of U. S. Highway 99 and State Route 198 about 10 miles north of Tulare. No service is provided at any point along U. S. Highway 99 under this operative right. In the Hanford area all routes are used to serve the numerous authorized points.

Applicant also provides highway common carrier service as an underlying carrier for its affiliate Valley Express Co., an express corporation, between San Francisco, San Jose, Salinas and San Luis Obispo over U. S. Highway 101, diverting therefrom at Paso Robles over State Route 41 to connect with its general routes of operation in the San Joaquin Valley area. A similar underlying service is likewise authorized and performed by applicant for Valley Express Co. (Decision No. 43003) between Visalia and Famoso and intermediate points over California State Routes 198 and 65; between Tulare and Lindsay and intermediate points via a county road; between Tipton and Porterville and intermediate points via California State Route 190, and between Tulare and Bakersfield and intermediate points via U. S. Highway 99. Under this operative right, shipments are excluded which might move locally under Valley Express Co. rates between Fresno and Bakersfield and the intermediate points of Exeter, Lindsay, Strathmore, Porterville, Terra Bella, Ducor, Richgrove, Tipton, Pixley, Earlimart, Delano, McFarland and Famoso. A large proportion of these points are in the Porterville-Exeter loop area and directly involved in this proceeding. It is thus apparent that applicant now operates its vehicles over all of the routes involved in this

proceeding except in the Rosedale-Shafter-Wasco area, the Ivanhoe-Woodlake-Lemon Cove area, the Centerville-Minkler area, and about three other short routes.

Applicant's general traffic manager testified with respect to the proposed service, applicant's present operations, the various terminals and agency stations maintained by applicant, its operating equipment, the proposed rates to be charged, and the method of operation to provide service if the certificate sought should be issued. He stated that the principal terminal, office and repair shops of applicant are located at Fresno. Major repairs and maintenance of equipment are made at that terminal. Other terminals, in so far as this application is concerned, are maintained at Tulare, Bakersfield and Los Angeles. Terminals not directly affecting this proceeding are maintained at 11 other points, the principal ones of which are San Francisco, Sacramento, San Jose and Stockton. The witness also stated that applicant owns a total of more than 550 units of operating equipment, of which 54 vans, 16 pick-up trucks, 34 tractors, two service cars and 12 converter gears, as a minimum, are based at Fresno.

The same witness further testified that applicant plans to provide an overnight service between Los Angeles and points in the San Joaquin Valley which it proposes to serve. He pointed out that eight schedules are operated daily, five days a week to provide an overnight service to that area from points north of Fresno, and that many requests have been received from customers that they desire a comparable service by applicant from the Los Angeles area as now proposed by applicant. Likewise, a daily overnight service will be provided between all points sought to be served. It is proposed to accept calls for pickups as late as 4 p.m. for pickups the same day, at the agency towns of Porterville, Exeter, Lindsay, Delano and Wasco. At Los Angeles and Fresno, calls for pickups

would be accepted as late as 3 p. m. for a pickup that day. The witness stated that applicant proposes to provide a daily overnight service between Fresno and Los Angeles, as well as a daily overnight service between all the points sought to be served.

In support of its request, applicant called 32 public witnesses--13 at Fresno, 12 at Bakersfield and seven at Los Angeles. These witnesses represented firms dealing in a wide variety of commodities. (2) The weight of the various shipments varied from a few pounds to several tons, depending upon the commodities involved. Shipments were made on an average of from one or two a week to daily, five days a week. A characteristic feature of the testimony of most of these witnesses is that they desire, and indicated a need for, applicant's proposed service chiefly for the reason that they are in many cases now using applicant's service to the points involved in the San Joaquin Valley from points other than Los Angeles and Bakersfield, and such service has been entirely satisfactory to them and in most cases it has been more reliable and satisfactory than some of the other services used. Certain witnesses indicated they had no particular complaints in regard to the services now being used but desire that proposed by applicant as it would be to their advantage for various reasons. There were witnesses who stated that presently available line service and pickup service are not always as prompt as they would like. Other shippers stated that customers in the Porterville loop area, who now receive shipments by applicant

(2) The commodities handled by the firms represented consisted of farm machinery, wholesale electrical materials and appliances, turbine pumps, office furniture, school equipment, building materials, telephone equipment, electronic appliances, barber and butcher supplies, general hardware, steel, plumbing, heating and industrial supplies, paper, paper products, drug sundries, automotive accessories, refrigeration and air conditioning equipment, steel castings, liquors, general grocery commodities and other items of a general nature.

from points north of Fresno, desire the proposed service to those points for shipments originating at Fresno, Bakersfield and the Los Angeles area. A Fresno shipper pointed out that Porterville loop customers of his firm were dissatisfied because they were able to have shipments transported to them by applicant from points north of Fresno but not from or to Fresno. This situation, so it was stated, caused extra work and confusion in routing shipments.

Applicant produced testimony through representatives of the Central Valley Empire Association and the Chamber of Commerce of Bakersfield which showed that between 1940 and 1950 the populations of Kern County, Kings County and Tulare County had increased 67.2, 31.6 and 38.8 per cent, respectively. The evidence also showed comparable growths in demand and in time deposits in banks in those counties, as well as in the retail trade of that region. It was further shown that there has been a substantial increase in the production of oil, other minerals, agricultural and industrial products in those counties.

The carriers opposing the application were Pacific Freight Lines, its affiliate Pacific Freight Lines Express, The Atchison, Topeka & Santa Fe Railway Company, its wholly owned subsidiary the Santa Fe Transportation Company and Desert Express, a highway common carrier.

The general manager of Pacific Freight Lines and its affiliate described their facilities, equipment and services. Their principal terminal is maintained at Los Angeles where shipments are collected for dispatch to the various points served. Terminal facilities are also maintained at Bakersfield and Fresno as well as at other points not involved herein. The witness stated that the service between Los Angeles and San Joaquin valley points is

overnight with deliveries beginning the following morning, as soon as the establishments of the consignees are open. Shipments destined from Los Angeles to points as far north as Delano and westerly to Shafter and Wasco are set out at Bakersfield. About 75 per cent of the deliveries are completed by noon and about 95 per cent by 2 p.m. Shipments destined from Los Angeles to points in the Porterville loop area are set out at the Tulare station, from which next morning deliveries are made, 90 per cent of which, as a rule, are completed by 2 p.m. Shipments move from Los Angeles to Fresno and the surrounding area overnight, 75 per cent of them are delivered by noon the next day and about 95 per cent by 2 p.m.

The witness further testified that the volume of traffic of the Pacific Freight Lines, and its affiliate, moving between Los Angeles and Fresno had shown a considerable decrease prior to the hearing herein whereas the over-all system tonnage had increased more than 25 per cent. At the same time the volume of traffic moving between Los Angeles and Bakersfield had remained about the same. He further stated that the service between Los Angeles, Bakersfield, Fresno and points in the Porterville loop area has consistently been overnight.

The Bakersfield agent of Pacific Freight Lines stated that between 1,200 and 1,500 customers were served by it from that terminal. that the facilities maintained are adequate to handle all traffic moving between Los Angeles, Bakersfield and points in the Bakersfield area and that he had received no complaints in regard to the service.

Pacific Freight Lines called the local freight agent of the Southern Pacific Company at Bakersfield to testify as to the service provided in that area by Southern Pacific Company in conjunction with its affiliate, Pacific Motor Trucking Company. This

witness testified that Bakersfield is a break bulk point for traffic of these carriers moving to or from Taft, McKittrick and other points in the vicinity of Bakersfield. Shipments moving to or from points in the Porterville loop area are handled through the terminals maintained at Tulare and Fresno. He stated that the equipment of Pacific Motor Trucking Company used in that area is now operating at about 25 per cent of its capacity. Less carload shipments moving between Bakersfield and Fresno and to and from Arvin, Taft and McKittrick districts move by truck.

An operating witness for Santa Fe Transportation Company described its equipment, operations and service between Los Angeles, on the one hand, and Bakersfield, Fresno and points in the Porterville loop, on the other hand. He testified that an overnight service for less truckloads of property is provided between Los Angeles, Bakersfield, Wasco, Shafter, Fresno and other points involved herein, daily, Mondays through Fridays. On request, service will be provided on Saturdays. Shipments are ready for delivery to consignees at destinations as soon as the various establishments are open. As a rule deliveries are completed by noontime. Six daily round trips are operated between Los Angeles and Fresno and deliveries from Bakersfield and Fresno are provided by applicant's own equipment. Contract draymen are used to provide deliveries at Wasco and Shafter. The witness stated that his company has more than 300 units of automotive equipment which is more than ample to handle the available traffic.

Pacific Freight Lines and Santa Fe Transportation Company called 41 public witnesses; 18 at Los Angeles, 20 at Bakersfield and three at Fresno. With relatively few exceptions these witnesses testified in substance that the service provided by those carriers, as well as other carriers, used by some of them, was adequate to

meet their needs; that overnight service was generally given; that no failures in service occurred; that they had no complaints in regard to such service and that no advantage would accrue to them from an additional carrier in the field.

No witnesses were called on behalf of Desert Express which conducts a highway common carrier operation between Los Angeles and Bakersfield via Mojave as a regular route and over U. S. Highway No. 99 as an alternate route subject to certain restrictions affecting operations over the latter route.

The evidence of record in this proceeding indicates that the area involved has shown a marked increase in population and economic development during the last several years. While transportation facilities have likewise increased, there has also been a parallel increase of traffic of substantial proportions. While the record shows that the services provided by protestants collectively have been satisfactory to those who use them, it also shows that others have a need for the additional service proposed by applicant except as noted below. It was shown that many of the receivers of property in the Porterville loop area are able to receive service over the line of the applicant from points north of Fresno but are not able to use that service to or from Fresno, Bakersfield or Los Angeles.

With respect to the Shafter-Wasco area, near Bakersfield, the record shows that while applicant is not serving any of those points, witnesses indicated a desire and need for such proposed service. No evidence was adduced with respect to service to or from Oil City and Oildale which are located easterly of U. S. Highway No. 99 and northerly from Bakersfield.

While we are not unmindful of the evidence indicating that the equipment of some of the protestants serving the area involved is not being used to its full capacity, it is our conclusion on this record that the additional service proposed by applicant if authorized will not divert much if any traffic from protestants.

After full consideration of all the evidence of record in this proceeding, the Commission finds that public convenience and necessity require the establishment and operation of the service proposed by applicant except that proposed to, from or between Oil City and Oildale.

O R D E R

Public hearing having been held in the above-entitled proceeding, evidence adduced therein, the matter being submitted and the Commission having 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 213 of the Public Utilities Code, for the transportation of general commodities subject to the exceptions set forth in paragraph (2) hereof, as follows:

A. Between the Los Angeles territory as described in Item 270-A of Highway Common Carriers Tariff No. 2 on the one hand, and on the other:

1. Bakersfield and all points and places intermediate to Bakersfield and the southerly city limits of Tulare on U. S. Highway 99.

2. All points and places on, over and along the following described routes: From the junction of U. S. Highway 99 with an unnumbered highway formerly known as State Highway 65 at or near Famoso, thence in a general northeasterly direction via Jasmin and Richgrove along said unnumbered highway to its junction with State Highway 65 at or near Ducor.
3. All points and places on, over and along State Highway 65 from its junction with said unnumbered highway described in sub-paragraph 2 hereof, formerly known as State Highway 65, at or near Ducor, thence in a general northerly direction along said State Highway 65 via Porterville to its junction with State Highway 198.
4. All points and places on, over and along State Highway 65 from its junction with State Highway 198 southwesterly of Lemon Cove, thence northerly along said State Highway 65 to and including Woodlake.
5. All points and places on, over and along the following described routes: From and including Visalia easterly along State Highway 198 to and including Lemon Cove, thence in a general northwesterly direction along an unnumbered highway to its junction with State Highway 65 at Woodlake, thence in a general northerly direction along said State Highway 65 to its junction with another unnumbered highway, thence in a general northwesterly and westerly direction, respectively, along said last unnumbered highway to and including Yettam.

6. All points and places on, over and along an unnumbered highway from Visalia, thence in a generally northeasterly direction along said unnumbered highway via Ivanhoe to its junction with State Highway 65 northerly of Woodlake.

7. All points and places on, over and along the following described routes: From the junction of an unnumbered highway with State Highway 65 at or near Exeter, thence westerly along said unnumbered highway to and including Farmersville, thence northerly along another unnumbered highway to the junction of said last unnumbered highway with State Highway 198 east of Visalia.

8. All points and places on, over and along an unnumbered highway from its junction with U. S. Highway 99 at Tulare, thence easterly along said unnumbered highway to its junction with State Highway 65 at or near Lindsay.

9. All points and places, on, over and along the following described routes: From the junction of an unnumbered highway with U. S. Highway 99 between Tipton and Tulare, thence easterly along said unnumbered highway to its junction with another unnumbered highway including, among others, the point of Woodville, thence southerly along said last unnumbered highway to its junction with State Highway 190.

10. All points and places on, over and along State Highway 190 from its junction with U. S. Highway 99 at or near Tipton, thence easterly along said State Highway 190 to its junction with State Highway 65 at or near Porterville.

11. All points and places on, over and along an unnumbered highway from its junction with U. S. Highway 99 at or near Pixley, thence easterly along said unnumbered highway to its junction with State Highway 65 northerly of Terra Bella.
12. All points and places on, over and along an unnumbered highway from its junction with U. S. Highway 99 at or near Earlimart, thence easterly along said unnumbered highway to its junction with State Highway 65 at or near Ducor.
13. All points and places on, over and along an unnumbered highway from its junction with U. S. Highway 99 northerly of Delano, thence easterly along said unnumbered highway to its junction with State Highway 65 at or near Richgrove.
14. All points and places on, over and along the following described routes: From and including Bakersfield, thence westerly along State Highway 178 via Rosedale to its junction with an unnumbered highway, thence northerly along said unnumbered highway via Shafter and Wasco to its junction with U. S. Highway 466 or near Wasco, thence easterly along said U. S. Highway 466 to its junction with U. S. Highway 99.
15. All points and places on, over and along an unnumbered highway from its junction with the unnumbered highway mentioned in sub-paragraph 14. hereof between Shafter and Wasco, thence easterly along said first unnumbered highway to its junction with U. S. Highway 99.

16. All points and places on, over and along an un-numbered highway from its junction with the unnumbered highway mentioned in sub-paragraph 14 hereof at Shafter, thence easterly along said first unnumbered highway to its junction with U. S. Highway 99.

17. Cella Vineyards, sometimes known as Cella Station, located on Reed Avenue between Reedley and Minkler via the following described routes: From the junction of said Reed Avenue with Manning Avenue at or near Reedley, thence northerly along said Reed Avenue to its junction with State Highway 180 at or near Minkler, thence westerly along said State Highway 180 to its junction with Clovis Avenue.

B. Between Fresno and Tulare and intermediate points on, over and along U. S. Highway 99 on the one hand, and on the other hand all points and places outlined in sub-paragraphs 1 to 17 above, inclusive.

C. Between all points and places sought to be served herein.

(2) That the following commodities may not be transported: Uncrated household goods and other commodities for which the Commission has prescribed minimum rates in Appendix "A", Decision No. 32325, City Carriers Tariff No. 3 -- Highway Carriers Tariff No. 4, livestock, commodities in bulk, articles of extraordinary value, commodities injurious or contaminating to other lading, dangerous explosives and petroleum products in bulk.

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

- (a) 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, file in triplicate, and concurrently make effective, appropriate tariffs and timstables.

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

Dated at San Francisco, California, this 14th day of April, 1952.

President
Justice F. Garner

Harold A. Hula

Samuel H. Potter

John E. Mitchell
Commissioners