

ORIGINALDecision No. 47252

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 O. J. BOEDEKER and A. T. RAWLINS)
 (Sacramento Freight Lines) for a)
 highway common carrier certificate)
 for transportation of general com-)
 modities between Sacramento, on the)
 one hand, and Herlong, Loyalton and)
 intermediate points between Herlong)
 and Portola, on the other hand.)

Application No. 32378

Scott Elder, for applicants.
Marvin Handler, for Carrie E. Ginocchio, dba Nevada-
 California Transportation Co., and Wells Cargo, Inc.;
 and E. L. Van Dellen, for Western Pacific Railroad
 Co., protestants.

O P I N I O N

O. J. Boedeker and A. T. Rawlins, copartners doing business as Sacramento Freight Lines, request a certificate of public convenience and necessity authorizing an extension of approximately 46 miles in their highway common carrier operation between Sacramento and Feather River Canyon points (Dec. 35169, App. 24747 (1942)), so as to render service between Sacramento and the Sierra Ordnance Depot at Herlong, near the California-Nevada border, including the off-route point of Loyalton and intermediate points between Portola and Herlong. The application was submitted on briefs following public hearings held at Sacramento and San Francisco before Examiner Gregory in the latter part of 1951.

The Sierra Ordnance Depot, commonly called Herlong, is a facility of the United States Government, the residential portion of which, approximately one square mile in extent, contains some 4,000 civilian and military personnel and about 43 commercial establishments, many of which are operated by the Post Restaurant Fund, a

self-supporting government instrumentality. These business establishments receive their merchandise from Sacramento, Reno and other places, both in California and outside the state, by means of both rail and highway carrier facilities. Building materials for the growing base come from Los Angeles and Sacramento. Manufactured articles of various kinds, embraced within the general term "ordnance," are received at the depot from bases and points in California. Outbound traffic--the predominant movement--consists primarily of carload and truckload shipments of ordnance and explosives moving on government bills of lading to California and Pacific Northwest ports for export, or to military establishments in California and other coastal states.

Herlong is approximately two hours' driving time from Reno. The normal route followed by the protesting interstate motor carriers between Herlong and Sacramento is via U. S. Highway 395 between Herlong and Reno, Nevada, and U. S. Highway 40 over Donner Pass between Reno and Sacramento. Applicants propose to use their present route from Sacramento to Portola via U. S. Highway 99 and State Highway 24 to the latter's intersection with U. S. Highway 395 at Halleluja Junction, thence to Herlong via U. S. Highway 395 and an access road about six miles long. The highest point on applicants' route is Beckwourth Pass (about 5,300 feet), while the route via U. S. Highway 40 leads over Donner Pass (about 7,200 feet). The record indicates that the former route, although about 40 miles longer than the latter, is more feasible for year-round truck operations between Sacramento and Herlong.

Applicants propose to transport general commodities, except uncrated household goods, livestock, liquids in bulk in tank trucks and articles of unusual value, five days per week between Sacramento, Herlong and intermediate points, with Saturday and Sunday

service if needed. Service will be overnight, with arrival at Herlong at 1 p.m., except that earlier deliveries will often be made from equipment moving to Herlong to load outbound truckload freight. Outbound schedules will leave Herlong at 2 p.m. and will arrive at Sacramento at 11 p.m., thus affording next-morning delivery. Inbound less-than-truckload freight, not carried on equipment being operated to the depot for truckload outbound traffic, will be transported to the Quincy terminal and distributed by means of a delivery unit from that point. Applicants have substantial truck and terminal facilities, as well as other resources, with which to inaugurate the proposed service. The requested certificate, if granted, will be registered with the Interstate Commerce Commission, and operations thereunder will be unified with applicants' existing certificated service. Publication of joint rates with other common carriers is also contemplated.

The application was supported by shippers dealing in hardware, household goods and appliances, sporting goods, pipe, steel, roofing and other building materials, lumber, drugs, tobacco products, groceries and allied items, bakery goods, candy, smoked, cured and canned meats, poultry, fresh and frozen fish and fresh and frozen vegetables. Some shipments of poultry and building materials originated at points on applicants' existing certificated route between Los Angeles and Sacramento.⁽¹⁾

The testimony of the Sacramento witnesses and that of the manager of the Post Restaurant Fund, at Herlong, points clearly to a need for normally overnight, single-line, less-than-truckload service for general merchandise between Sacramento, Herlong and

(1) General commodity traffic by applicants between Los Angeles and Sacramento, via U. S. Highway 99, until recently has been restricted to a minimum weight of 20,000 pounds per shipment. The restriction was abrogated by Decision No. 47175, dated May 16, 1952, in Application No. 32163.

intermediate points en route, especially for perishable traffic. Such a service is not currently provided on a dependable basis by existing common carrier facilities, including the rail lines and Railway Express Agency.

The only regular route common carrier truck service available for general merchandise traffic between Sacramento, Herlong and some of the intermediate points here involved is that rendered by Nevada-California Transportation Company, an interstate motor carrier, in conjunction with Oregon-Nevada-California Fast Freight and Western Truck Lines. Traffic is interlined at Reno and is normally accorded second-day or later delivery at Herlong, except that rush or perishable shipments are sometimes given first-day service. The delays have given rise to complaints by shippers and receivers concerning spoilage and damage to perishable commodities, and loss of customers through competition from Reno suppliers who enjoy better service than Sacramento merchants. A reliable overnight truck service from Sacramento, the record shows, would aid in developing new business at intermediate points for some of the California shippers.

Nevada-California Transportation Company, in addition to its interline operations at Reno with Oregon-Nevada-California Fast Freight and Western Truck Lines, also has substantial single-line operations out of Reno and, additionally, interlines with other interstate motor carriers. Like Wells Cargo, the other protesting interstate operator, it experiences substantial competition for government traffic with perhaps a hundred truck carriers operating to and from Herlong under permits, including these applicants.

Wells Cargo, Inc. has irregular route authority between Herlong and various points in California for certain restricted commodities in shipments of not less than 10,000 pounds. About

10 per cent of this carrier's traffic moves intrastate between Herlong and California points under permits issued by this Commission. The bulk of it, however, comprises truckloads of ordnance and explosives moving on government bills of lading in interstate or foreign commerce via Reno and California points. Much of this traffic is interlined in California with other interstate carriers serving Oregon and Washington.

Inbound rail service by Western Pacific for commercial traffic is subject to delays in pickups at Sacramento and lack of unloading and delivery facilities at Herlong. Railway Express service, though relatively fast, is subject to higher rates and delays en route or at destination.

The protesting interstate truck operators oppose the application in so far as it contemplates service to and from the Sierra Ordnance Depot at Herlong. They urge that any authority granted to applicants be restricted so as to preclude the movement of ordnance materials, munitions and supplies from or to the depot. These protestants, both at the hearing and on brief, contended that applicants are seeking not so much to render less-than-truckload general merchandise service between Sacramento, Herlong and intermediate points as they are to compete, as a common carrier, with protestants for truckload government traffic by registering their intrastate authority, if granted, with the Interstate Commerce Commission and by establishing joint rates with other common carriers serving California and other points reached by protestants and the carriers with whom they interline traffic.

Western Pacific, in its brief, argues that since the preponderance of public testimony related only to inbound less-than-truckload shipments to Herlong, and since applicants showed no need for additional public transportation service for the predominately

outbound movement, the Commission must necessarily consider only the inbound less-than-truckload movement. The rail carrier contends that applicants' proof falls short of establishing a need for their service for that movement.

The protesting interstate truck carriers argue that the Commission must consider the possible effect upon their operations of granting the authority here sought. They contend that "the fact that efficient and reliable service is available between Herlong and California points is certainly an element to be considered . . . in the determination of the primary issue of whether or not public convenience and necessity require the proposed service."

Applicants urge that such a contention raises questions beyond the scope of this proceeding, beyond the power of the Commission to decide and, in addition, is without factual support.

We have considered the arguments, with the authorities cited, advanced by the protesting truck carriers and the Western Pacific. It is true that by far the greater volume of traffic for which the parties to this proceeding compete in the territory involved consists of outbound shipments of ordnance, munitions and related supplies, much of it for export. But, with the large number of carriers, including applicants and protestants, already sharing this outbound traffic, we are not persuaded that the grant of the requested certificate, if otherwise justified, will result in significant diversions of traffic from any particular carrier, including these protestants.

(2) During May, 1951, Wells Cargo, Inc. transported 1,385,683 pounds of freight from Herlong to San Francisco Bay points and 67,310 pounds from bay points to Herlong. In the same month, Nevada-California Transportation Company transported 673,920 pounds of freight from Herlong to numerous California points, including military establishments and ports, and 870,064 pounds from San Francisco Bay points, Los Angeles, Sacramento and Stockton to Herlong. (Exhibits 8, 11.) Sacramento Freight Lines has had as many as nine trucks in one day at Herlong to handle government traffic.

Protestants further contend that, aside from the alleged lack of evidence of need for additional public transportation for outbound government freight, the showing made with respect to the necessity for inbound, less-than-truckload service from Sacramento and other California points to Herlong and intervening territory is inadequate to support the grant of a certificate. But, in advancing this argument, protestants lose sight of the fact, made clear by the record, that the Sacramento merchants and the manager of the Post Restaurant Fund at Herlong are not satisfied with the quality of existing common carrier truck or rail service. Although the disparity in volume between inbound and outbound traffic at Herlong appears to be substantial, these shippers, especially those dealing in perishable commodities, as well as those shipping to intermediate points en route to Herlong, presented convincing evidence of a real need for the type of service offered by applicants. To deny the requested extension merely because of the comparatively light inbound movement, when for years applicants have operated in the territory as a certificated common carrier, would be to accord that factor undue significance in the face of the need, otherwise shown to exist, for expedited, single-line truck transportation facilities for commercial freight from Sacramento to Herlong and intermediate points.

We find that public convenience and necessity require the proposed extension of applicants' certificate. Accordingly, the application will be granted.

ORDER

Public hearings having been held in the instant proceeding, evidence and argument having been received and considered, the

Commission now 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 hereby is granted to O. J. Boedeker and A. T. Rawlins, co-partners doing business as Sacramento Freight Lines, authorizing the establishment and operation of service as a highway common carrier, as defined in Section 213 of the Public Utilities Code of the State of California, for the transportation of general commodities, except uncrated household goods and other commodities for which the Commission has prescribed minimum rates in Appendix "A," Decision No. 32325 (City Carrier's Tariff No. 3, Highway Carrier's Tariff No. 4), and except livestock, liquids in bulk in tank trucks and articles of unusual value, between Sacramento, on the one hand, and Herlong, Loyalton and intermediate points between Herlong and Portola, on the other hand, as an extension and enlargement of the authority held by applicants pursuant to Decision No. 35169, dated March 24, 1942, in Application No. 24747.

(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 file in triplicate, and concurrently make 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:

Via applicants' existing route between Sacramento and Portola; via State Highway 24 between Portola and its junction with U. S. Highway 395 at Halleluja Junction; via U. S. Highway 395 from said junction to Sierra Ordnance Depot and via an unnumbered state or county road through or adjacent to said Sierra Ordnance Depot to Herlong; via unnumbered state or county road between Vinton, on State Highway 24, and Loyalton.

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

Dated at San Francisco California, this 9th day of June, 1952.

R. Z. [Signature]
 President

Justice J. [Signature]

[Signature]

[Signature]

Commissioners