

ORIGINALDecision No. 51242

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 RUSSELL E. ELLIS, an individual doing)
 business as R. E. Ellis Draying Co.,)
 for a certificate of public convenience) Application No. 35201
 and necessity to operate as a highway)
 common carrier.)

O P I N I O N

This application was one of the group heard in connection with the Commission's Case No. 5535. A public hearing hereon was held on August 25, 1954, and the matter submitted. By Decision No. 51041 dated January 25, 1955, herein the submission was set aside for the reason that there were ambiguities in applicant's financial showing. Applicant has since filed Exhibits 11 and 12. Exhibit No. 11 is applicant's December 31, 1954 balance sheet. Exhibit No. 12 is his operating statement for 1954. Since one public hearing has been hold, and the question raised about finances was one with which the Commission itself rather than protestants was concerned, it appears that a further hearing is not necessary.

The December 31, 1954, balance sheet reveals an unfavorable current ratio and a net investment of \$4,610.74. The excess of current liabilities over current assets does not indicate distress or difficulty in this case. In the first place, there are no fixed liabilities so the current liability total is also the total of all liabilities. Second, the applicant has a favorable history for earning profits going back through the six years reported in his several exhibits herein. His operating ratio was 90% (before income taxes) in 1949 and all subsequent ratios have been even more favorable. In 1954, according to Exhibit No. 12, the business

generated a net profit of \$14,729.81. The Commission is of the opinion that, all things considered, the financial resources of applicant are adequate for the purposes of his application.

Applicant's facilities consist of his draying terminal at one address and a warehouse at another. The draying terminal is improved with a 5,000 square foot building. At this location office, maintenance facilities and 2,100 square feet of lot space are available. The warehouse has a capacity of 4,000 square feet.

Applicant has nine trucks, one tractor, two semi-trailors and one service car. He has some eleven employees. His own experience in transportation included eleven years in the local and transbay fields prior to starting this business in 1947.

Applicant asserts that he has approximately 250 customers. His traffic exhibits reveal the transportation of a variety of commodities for numerous customers.

The evidence shows that applicant has the necessary financial ability, facilities, equipment, experience and personnel to undertake the proposed service. It further shows that the growth of San Francisco-East Bay communities has increased the over-all requirements for common carrier service and has resulted in increased demand for applicant's services. Public convenience and necessity require that the application be granted. This grant will be on the condition, however, that applicant serve the whole of the San Francisco-East Bay Cartage Zone as established in Case No. 5535. Acceptance of the certificate herein granted will be construed as consent to this condition. Since the orders granting certificates to other applicants in this group were made effective on February 1, 1955, this order will be made effective on its date so as to lessen any competitive disadvantage to applicant.

Applicant is placed on 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, such rights 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 as to the number of rights which may be given.

O R D E R

Application having been filed and public hearings held thereon and the Commission having considered the same and being of the opinion and finding that public convenience and necessity so require, therefore,

IT IS ORDERED:

1. That a certificate of public convenience and necessity is hereby granted to Russell E. Ellis, doing business as R. E. Ellis Draying Co., authorizing the establishment and operation of a service as a highway common carrier, as defined in Section 213 of the Public Utilities Code, for the transportation of general commodities except petroleum products in bulk in tank vehicles, uncrated household goods, livestock and commodities of unusual value between the points set forth in Appendix "A" annexed hereto and by this reference made a part of this order.

2. That in providing service pursuant to the authority herein granted, applicant may use any and all streets, roads, highways and bridges, and shall comply with the following service regulations:

- a. Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate herein granted.
- b. Within sixty days after the effective date hereof, and upon not less than five 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 by filing in triplicate, and concurrently making effective, tariffs satisfactory to the Commission.

The effective date of this order shall be the date hereof.

Dated at Los Angeles, California, this 21st day of March, 1955 46.

[Signature]
 President
Justice J. Coe
[Signature]
[Signature]

COMMISSIONERS

LIMITS OF SAN FRANCISCO-EAST BAY CARTAGE ZONE

San Francisco-East Bay Cartage Zone includes that area embraced by the following boundary:

Beginning at the point where the San Francisco-San Mateo County Boundary Line meets the Pacific Ocean; thence easterly along said boundary line to Lake Merced Boulevard; thence southerly along said Lake Merced Boulevard and Lynnwood Drive to So. Mayfair Avenue; thence westerly along said South Mayfair Avenue to Crestwood Drive; thence southerly along Crestwood Drive to Southgate Avenue; thence westerly along Southgate Avenue to Maddux Drive; thence southerly and easterly along Maddux Drive to a point one mile west of Highway U.S. 101; thence southeasterly along an imaginary line one mile west of and paralleling Highway U.S. 101 (El Camino Real) to its intersection with the southerly boundary line of the City of San Mateo; thence northeasterly, northwesterly, northerly and easterly along said southerly boundary to Bayshore Highway (U.S. 101 Bypass); thence leaving said boundary line and continuing easterly along the projection of last said course to its intersection with Belmont (or Angelo) Creek; thence northeasterly along Belmont (or Angelo) Creek to Seal Creek; thence westerly and northerly to a point one mile south of Toll Bridge Road; thence easterly along an imaginary line one mile southerly and paralleling Toll Bridge Road and San Mateo Bridge and Mt. Eden Road to its intersection with State Sign Route 17; thence continuing easterly and northeasterly along an imaginary line one mile south and southeasterly of and paralleling Mt. Eden Road and Jackson Road to its intersection with an imaginary line one mile easterly of and paralleling State Sign Route 9; thence northerly along said imaginary line one mile easterly of and paralleling State Sign Route 9 to its intersection with "B" Street, Hayward; thence easterly and northerly along "B" Street to Center Street; thence northerly along Center Street to Castro Valley Boulevard; thence westerly along Castro Valley Boulevard to Redwood Road; thence northerly along Redwood Road to William Street; thence westerly along William Street and 168th Avenue to Foothill Boulevard; northwesterly along Foothill Boulevard to the southerly boundary line of the City of Oakland; thence easterly and northerly along the Oakland Boundary Line to its intersection with the Alameda-Contra Costa County Boundary Line; thence northwesterly along last said line to its intersection with Arlington Avenue (Berkeley); thence northwesterly along Arlington Avenue to a point one mile northwesterly of San Pablo Avenue (Highway U.S. 40); thence northwesterly along an imaginary line one mile easterly of and paralleling San Pablo Avenue (Highway U.S. 40) to its intersection with County Road No. 20 (Contra Costa County); thence westerly along County Road No. 20 to Broadway Avenue (also known as Balboa Road); thence northerly along Broadway Avenue (also known as Balboa Road) to Highway U.S. 40; thence northerly along Highway U.S. 40 to Rivers Street; thence westerly along Rivers Street to 11th Street; thence northerly along 11th Street to Johns Avenue; thence westerly along Johns Avenue to Collins Avenue; thence northerly along Collins Avenue to Morton Avenue; thence westerly along Morton Avenue to the Southern Pacific Company right of way and continuing westerly along the prolongation of Morton Avenue to the shore line of San Pablo Bay; thence southerly and westerly along the shore line and waterfront of San Pablo Bay to Point San Pablo; thence southerly along an imaginary line from Point San Pablo to the San Francisco Waterfront at the foot of Market Street; thence westerly along said waterfront and shore line to the Pacific Ocean; thence southerly along the shore line of the Pacific Ocean to the point of beginning.

The foregoing description includes the following points or portions thereof:

Alameda	Elkton	Oakland Pier	San Leandro
Alameda Pier	Elmhurst	Ocean View	San Lorenzo
Albany	Emeryville	Piedmont	San Mateo
Baden	Ferry Point	Point Castro	San Pablo
Bay Farm Island	Fruitvale	Point Fleming	South San Fran-
Bayshore	Government Island	Point Isabel	cisco
Berkeley	Hayward	Point Molate	Stege
Bernal	Lawndale	Point Orient	Tanforan
Brisbane	Lomita Park	Point Petrero	Treasure Island
Broadway	Melrose	Point Richmond	Union Park
Burlingame	Millbrae	Point San Pablo	Visitacion
Camp Knight	Mills Field	Richmond	Westlake
Castro Valley	Mt. Eden	Russell City	Winehaven
Colma	Oakland	San Bruno	Yerba Buena
Daly City	Oakland Municipal	San Francisco	Island
East Oakland	Airport	San Francisco Inter-	
El Cerrito		national Airport	

APPENDIX "A" (Continued)

MAP SHOWING

LIMITS OF SAN FRANCISCO - EAST BAY CARTAGE ZONE

