ORIGINAL

Decision No. <u>52195</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of HCMER M. BROWER and CREIGHTON W. BROWER, a copartnership, doing business as SONORA FREIGHT LINES, for a certificate of public convenience and necessity to operate as a highway common carrier as an extension of existing rights.

Application No. 35937 (Amended)

Francis X. Vieira, for applicant

$\underline{O P I N I O N}$

This application was filed by applicants1/ on November 8, 1954, and amended on December 15, 1954. A public hearing was held before Examiner John Power at Modesto on September 14, 1955. There were no appearances except for the applicants. One of the applicants and Sonora's traffic manager, who is also its accountant, testified as operating witnesses. Four shipper witnesses were called. At the close of the hearing the matter was submitted and it is now ready for decision.

The western terminus of the Sonora operation is at Modesto on U. S. Highway 99. From there it extends easterly and northeasterly to Strawberry, Pinecrest, Cherry Valley and Hetch Hetchy. The outer end of the service extends into the Sierra Nevada Mountains in Tuolumne County. The character of the area is indicated by the fact that it is well known as a winter sports area.

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1/ Hereinafter sometimes referred to as Sonora.

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The operating rights of Sonora were originally granted to the Lillie Transportation Co. Lillie assigned them to W. W. Miles and Son. Miles transferred the rights to the present Sonora partners in February, 1953. Sonora performs both a local and an interline service. The instant proposal, after amendment at the hearing, is to extend the Strawberry leg of the service to Cow Creek and Mill Creek. At those points, dams, to be known as the Beardsley and Donnell Dams, are being constructed.

The service now maintained and proposed to be extended, is daily, six days a week, from June 1 to September 15 each year. During the rest of the year it is cut back to twice weekly. During much of the year weather conditions make more frequent service impractical. Each year, the applicant witness testified, he canvasses Sonora's customers before selecting the two days on which to operate.

Sonora's financial exhibits show a partnership net worth of \$11,990 as of July 31, 1955. Net profit for the first seven months of 1955 was given as \$4,048. Equipment consisted of three trucks, four tractors, four trailers and a converter dolly. There is a small terminal in Modesto and a larger one at Sonora. There are eight employees consisting of four drivers and four office workers, besides the applicants themselves. The partners do terminal work, relief driving and solicitation in addition to managing the business.

The shipper witnesses indicated the need for the proposed extension. Until recently, little or no service was needed to the Cow Creek or Mill Creek areas. The construction of the dams will take three years and, at peak, will employ 3,500 men. After completion of the dams the area around the lakes, thus created, will be developed for recreation. The evidence indicates that

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there is no common carrier now serving the area. There is, however, at least one application pending.

The evidence shows, and the Commission is of the opinion and finds, that public convenience and necessity require that the proposed extension be granted. Applicants requested an in lieu certificate, restating their operating authority as enlarged, and this request will be granted.

Applicants are 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.

ORDER

Application having been filed and public hearing 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 Homer M. Brower and Creighton W. Brower, a partnership doing business as Sonora Freight Lines, authorizing

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them to operate as a highway common carrier as defined by Section 213 of the Public Utilities Code for the transportation of property between the points and over the routes more particularly set forth in Appendix A attached hereto and made a part hereof.

2. That the present operating authority as a highway common carrier of Homer M. Brower and Creighton W. Brower, a copartnership doing business as Sonora Freight Lines, including but not limited to the authority created by Decision No. 49749, dated March 2, 1954, in Application No. 35109, is hereby revoked and canceled. Such revocation and cancellation shall take effect simultaneously with the establishment of service under the authority herein granted.

3. That in providing service pursuant to the authority herein granted, applicant shall comply with the following service regulations:

a. Within thirty days after the effective date hereof, applicants shall file a written acceptance of the certificate herein granted. Applicants are placed on notice that by accepting the certificate of public convenience and necessity herein granted they will be required, among other things, to file annual reports of their operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 99. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 99, may result in a cancellation of the operating authority granted by this decision.

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b. Within sixty days after the effective date hereof, and upon not less than five 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 by filing in triplicate and concurrently making effective tariffs satisfactory to the Commission.

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

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Decision No. <u>50105</u> Dated <u>NOV 7 - 1955</u> Application No. 35937

APPENDIX A

The certificate of public convenience and necessity granted to Homer M. Brower and Creighton W. Brower, doing business as Sonora Freight Lines, by the above-numbered decision authorizes them to transport general commodities between Modesto, Knights Ferry, Jamestown, Sonora, Standard, Tuolumne, Soulsbyville, Strawberry, Cow Creek, Mill Creek, Pinecrest, Chinese Camp, Jacksonville, Moccasin, Big Oak Flat, Groveland, Buck Meadow, Hetch Hetchy Reservoir, Cherry Valley and intermediate points.

Applicants shall not transport any shipments of lumber, livestock and uncrated used household goods. Applicants shall transport no shipments from, to or between any point or points intermediate to Modesto and Knights Ferry.

Applicants shall conduct operations over and along State Highways 49, 108, and 120 and certain unnumbered highways.