

ORIGINAL

Decision No. 54370

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of PUBLIC FREIGHT SYSTEM, a California corporation,)

(a) for a certificate of public convenience and necessity to operate as a highway common carrier of commodities generally, with certain exceptions, between points and places within the Los Angeles Metropolitan Area as that term is defined in existing certificates of applicant, and)

Application No. 34572

(b) for a certificate of public convenience and necessity authorizing the transportation of commodities generally, with certain exceptions, between points in the Los Angeles Metropolitan Area, as defined in the certificates of applicant, on the one hand, and, on the other hand, certain points and places in San Bernardino, Riverside, Orange, and Los Angeles counties, serving all intermediate and off-route points, as more particularly set forth herein.)

Glanz and Russell, by Theodore W. Russell, and Earl J. Brooks, for applicant; H. J. Bischoff and John B. Robinson for Southern California Freight Lines and Southern California Freight Forwarders, Robert W. Walker and Richard K. Knowlton for Santa Fe Transportation Company, Gordon, Knapp and Gill, by Joseph C. Gill, for Pacific Freight Lines and Pacific Freight Lines Express, protestants.

O P I N I O N

Applicant is a highway common carrier pursuant to certificates of public convenience and necessity heretofore issued by this Commission between Los Angeles and Los Angeles Harbor; 1/ between the Los Angeles Metropolitan Area and Fontana, serving the 1/ Decision No. 38126, dated August 28, 1945, in Application No. 26741; Decision No. 39188, dated July 9, 1946, in Applications Nos. 27599 and 27600.

intermediate points of El Monte, Pomona and Ontario, carrying only traffic to and from points north of Los Angeles by common carrier;^{2/} and between the Los Angeles Metropolitan Area and Fontana and all intermediate and off-route points within a radius of three miles of authorized routes.^{3/}

Authority is herein requested to extend the existing operating authority in the transportation of general commodities, with the exception of household goods or personal effects, fixtures and equipment, motion picture films, advertising matter, accessories, production machinery, parts, and tickets, petroleum and petroleum products in tank trucks, and livestock,^{4/} between all points and places in the Los Angeles Metropolitan Area as described in the application and between points and places in the Los Angeles Metropolitan Area, on the one hand, and, on the other hand, specified points in Los Angeles, San Bernardino, Riverside and Orange Counties over designated routes.

Public hearings were held in Los Angeles before Examiner Grant E. Syphers on November 12, 1953, April 20, 21, 28, and June 4, 1954. On this last named date the matter was submitted. Subsequently on May 10, 1955, this Commission issued an order reopening the matter, inasmuch as the applicant had applied for authority to sell its operating rights to the Pacific Intermountain Express. This last named company is one of the largest carriers in the west conducting interstate operations in several states, and also

^{2/} Decision No. 43308, dated September 20, 1949, and Decision No. 45247, dated January 9, 1951, both in Application No. 29726.

^{3/} Decision No. 48042, dated December 9, 1952, in Application No. 32187.

^{4/} The exceptions are specifically detailed and described in the application.

intrastate operations within the state of California. A further hearing was held on July 16, 1956, at which time evidence was adduced relative to the status of applicant and Pacific Inter-mountain Express. The matter is now ready for decision.

In the 1953 and 1954 hearings, the testimony presented disclosed the nature of the operations of Public Freight System. At that time it was a subsidiary of the Keystone Properties Corporation. This last named corporation engaged in no carrier operations but in addition to holding all of the stock of Public Freight System, also owned the Southland Transportation Company, a truck-leasing firm, holding Radial, Contract and City Carrier permits. Likewise the Keystone Properties Corporation owned the Public Freight Service, an express corporation and freight forwarder which held no trucking certificates or permits.

It was disclosed in those hearings that the Public Freight System was conducting operations, in the territory for which a certificate was requested, under the authority of a Radial Highway Common Carrier Permit. Additional testimony was presented as to the equipment operated, the physical facilities and the financial condition of Public Freight System.

The public witness testimony in support of the application at those first hearings consisted of shipper witnesses and testimony from the representatives of three existing certificated carriers who desired to have inter-line service with the applicant in the pickup and delivery of their shipments. These carriers were competitive with the existing line haul carriers and for this reason desired an independent carrier to handle their pickup and delivery in the area concerned.

Testimony in opposition to the proposal principally came from three existing highway common carriers who served the area.

At the hearing on July 16, 1956, the testimony disclosed that the Pacific Intermountain Express had acquired control of the Public Freight System and now is, in fact, conducting the operations. The Public Freight System still is a separate corporation. However, it is the intention of Pacific Intermountain Express to discontinue this corporation as soon as authority can be obtained so to do. The evidence at this last named hearing leaves no doubt as to the ability of the present operator to conduct the proposed service. Likewise certain public witnesses representing shippers who presented testimony in the 1954 hearings testified that their situations had not substantially changed in the meantime.

A consideration of this record leads us to the conclusion, and we now find, that public convenience and necessity require the operations as proposed by applicant.

Public Freight System is hereby placed upon 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, they 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 as above entitled having been filed, public hearings having been held thereon, the matter having been duly submitted and the Commission now finding that public convenience and necessity so require,

IT IS ORDERED:

I

That a certificate of public convenience and necessity be, and it hereby is, granted to Public Freight System, a California corporation, 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 with the exceptions as hereinafter noted, and between the points and over the routes as hereinafter designated, as an extension of, and to be consolidated with, its existing operating authority.

Commodities

The authority granted herein shall apply to the transportation of general commodities with the following exceptions:

1. Household goods and personal effects, which terms are defined to include all items commonly used in a household such as furniture, furnishings and appliances of all types, clothing and personal possessions, when transported in connection with so-called household goods movements.
2. Fixtures, equipment, furniture, furnishings and other appurtenances commonly used in stores, offices, museums, institutions, hospitals or other establishments when transported uncrated and unpacked; and household goods and effects as described in paragraph 1 hereinabove, and fixtures and equipment as described in this paragraph when not intended for resale.
3. Motion picture films, motion picture advertising material, motion picture theater accessories, production machinery, parts, and tickets when transported to or from theaters and other similar places of amusement.

4. Petroleum and petroleum products in bulk in tank trucks.
5. Livestock.

The service herein authorized shall be conducted between the points and over the routes hereinafter set forth:

- (1) Between all points within the Los Angeles Metropolitan Area as hereinafter defined, traversing any and all streets and highways within that area:

Los Angeles Metropolitan Area.

Beginning at the point at which the westerly boundary of the City of Los Angeles meets the Pacific Ocean (between Sunset Boulevard and Topanga Canyon Road), thence along the westerly, northerly and easterly boundaries of the City of Los Angeles to the intersection of the easterly boundary of the City of Los Angeles and Foothill Boulevard, thence along Foothill Boulevard to its intersection with the westerly boundary of the City of Pasadena, thence along the westerly, northerly, easterly and southerly boundaries of the City of Pasadena to the intersection of the southerly boundary of the City of Pasadena and the easterly boundary of the City of San Marino, thence along the easterly and southerly boundaries of the City of San Marino to the intersection of the southerly boundary of the City of San Marino and the northeasterly boundary of the City of Alhambra, thence generally westerly along the northeasterly and northerly boundaries of the City of Alhambra to the intersection of the northerly boundary of the City of Alhambra with the easterly boundary of the City of Los Angeles, thence southerly along the easterly boundary of the City of Los Angeles to its intersection with Third Street, thence east along Third Street to the northerly boundary of Montebello, thence along the northerly and northeasterly boundaries of the City of Montebello to the easterly boundary of the City of Montebello, thence in a generally southeasterly direction along a prolongation of the northeasterly boundary of the City of Montebello to the intersection of such line and the San Gabriel River, thence in a generally southerly direction along the San Gabriel River to the Pacific Ocean, thence in a generally westerly and northerly direction along the coastline of the Pacific Ocean to the point of beginning.

- (2) Between points in the Los Angeles Metropolitan Area as hereinabove defined on the one hand, and on the other hand all points in the extended service area described below, over the routes set out hereinafter:

Beginning at the junction of the San Gabriel River and the Pacific Ocean, thence northerly along the San Gabriel River to its junction with a line which constitutes an extension of the northeasterly boundary of the City of Montebello, thence northwesterly along said line and along the northeasterly and northerly boundaries of the City of Montebello to Third Street in the City of Los Angeles, thence westerly along Third Street to the easterly boundary of the City of Los Angeles, thence northerly along the easterly boundary of the City of Los Angeles to its intersection with the northerly boundary of the City of Alhambra, thence generally easterly along the northerly and northeasterly boundaries of the City of Alhambra to its point of junction with the southerly boundary of the City of San Marino, thence easterly and northerly along southerly and easterly boundaries of the City of San Marino to the intersection of said boundary with the southerly boundary of the City of Pasadena, thence easterly and northerly along the southerly and easterly boundaries of the City of Pasadena to junction with U. S. Highway 66, thence generally easterly along U. S. Highway 66 to its junction with Mount Vernon Avenue near the City of San Bernardino, thence northerly along Mount Vernon Avenue to its intersection with Highland Avenue, thence easterly along Highland Avenue to Church Street in East Highland, thence along Church Street, Third Street and Orange Street to its junction with U. S. Highway 99 in Redlands, California, thence west along U. S. Highway 99 to its junction with State Highway 18 near Colton, California, thence southwesterly along State Highway 18 to its junction with State Highway 55 near Olive, California, thence southerly along State Highway 55 and the prolongation thereof to the Pacific Ocean to the point of beginning.

- (3) The routes herein authorized are as follows:
- a. U. S. Highways 70 and 90 between their junction with applicant's presently authorized routes at Sierra Avenue near Fontana, and Redlands, California.
 - b. U. S. Highway 66 between its junction with applicant's present route at Sierra Avenue near Fontana and San Bernardino.
 - c. U. S. Highway 395 between Riverside and its junction with Highland Avenue northwest of San Bernardino.
 - d. Highland Avenue between its junction with Mount Vernon Avenue and U. S. Highway 66 northwest of San Bernardino and its junction with Church Street in East Highland, thence via Church Street, Third Street, and Orange Street to Redlands, California.

- c. U. S. Highway 60 between its junction with U. S. Highway 99 in Pomona, California, and Riverside, California.
- f. California State Highway 18 between its junction with the San Gabriel River near Lakewood, California, and its junction with Highland Avenue in San Bernardino, California.
- g. Hamner Avenue and Adams Avenue between the junction of Hamner Avenue and California State Highway 18 in Corona, California, and the junction of U. S. Highway 60 and Adams Avenue near Mira Loma, California.
- h. Euclid Avenue between its junction with U. S. Highway 60 in Ontario, California, and Cloverdale Avenue, thence via Cloverdale Avenue to its junction with Adams Avenue north of Norco, California.
- i. California State Highway 71 between its junction with U. S. Highway 99 in Pomona, California, and its junction with California State Highway 18 near Corona, California.
- j. Pomona Avenue and Anaheim-Spadra Road between its junction with U. S. Highway 101 near Brea, California, and its junction with Valley-Pomona Boulevard near Walnut, California.
- k. State Highway 39 between its junction with U. S. Highway 66 in Azusa, California, and its junction with U. S. Highway 101 Alternate near Huntington Beach, California.
- l. State Highway 35 between its junction with U. S. Highway 99 easterly of El Monte, California, and its junction with State Highway 22 near Seal Beach, California.
- m. State Highway 22 between its junction with the San Gabriel River and its junction with U. S. Highway 101 near Orange, California.
- n. U. S. Highway 101 between its junction with the San Gabriel River near Montebello, California, and Tustin, California.
- o. U. S. Highway 101 By-pass between its junction with the San Gabriel River and its junction with U. S. Highway 101 near Anaheim, California.
- p. State Highway 55 between its junction with State Highway 18 near Olive, California, and its junction with U. S. Highway 101 Alternate near Newport Beach, California.

- q. Brea-Olinda Boulevard and its extension known as Carbon Canyon Road between Brea, California, and the junction of Carbon Canyon Road and State Highway 71 northwest of Chino, California.

II

That in providing the service pursuant to the certificate herein granted, there shall be compliance with the following service regulations:

- 1. Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted.
- 2. 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 file in triplicate and concurrently make effective tariffs satisfactory to the Commission.

In all other respects the application herein is denied.

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

Dated at San Francisco, California, this 9th day of January 1957.

James E. Mitchell
President

Ray L. H. ...

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B. H. ...

C. J. Fox
Commissioners