ORIGINAL

Decision No. 57477

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of JOE SAIA for certificate of public convenience and necessity, in accordance with provisions of Section 1063 of the Public Utilities Code of the State of California.

Application No. 40227

Lambert & Lemmon, by John J. Lemmon for applicant.

<u>OPINION</u>

Joe Saia is operating as a highway common carrier pursuant to a certificate of public convenience and necessity issued by this Commission. His present operating authority authorizes him to transport general commodities, with a limited exception, between Sacramento, on the one hand, and points along U. S. Highway No. 40 and the western shore of Lake Tahoe, on the other hand. Joe Saia, by this application, seeks additional operating rights along U. S. Highway No. 40 and to extend his operating authority in the Lake Tahoe area.

A public hearing was held in this matter before Examiner Donald B. Jarvis on September 4, 1958.

Evidence was presented at the hearing concerning Saia's operating equipment and financial ability to conduct the proposed operations.

There was testimony to the effect that the existing certificated common carriers serving between Bowman and Weimar along U. S. Highway No. 40 are not authorized or refuse to deliver to points not directly on the highway. It also appears that residents of this area often must go to Auburn or Colfax to pick up freight consigned to them. The witnesses giving the aforesaid testimony

There was also testimony with regard to the proposed extension of operating rights between Inspiration Point and Fresh Pond in the Lake Tahoe area. This evidence indicated that the certificated common carriers in the area on occasion delay shipments into the area because of load factors. The evidence further indicates that Saia does not, in the area which he is now authorized to serve, wait until he accumulates a full truckload before delivering merchandise consigned to people in the area but that he delivers on a regular schedule regardless of load factor. In addition, during the winter months, Saia will traverse long and circuitous routes in order to find roads which are open so as to make delivery in the area. Saia proposes to render this type of service to the points here involved if this application be granted.

The sales manager of the Meridith Fish Company appeared as a witness for Saia. He testified that his company now uses Saia to transport fresh and frozen fish into the area for which Saia is now certificated; that his company has not been able to market its products on the south shore of the Lake because it has been unable to obtain adequate transportation from the existing certificated common carriers in the area; that the Meridith Fish Company desired to market its products in the area without resort to proprietary trucking; and that if Saia were granted operating rights in the area Meridith would ship by him. The owner of an interest in one of the large grocery markets in Bijou testified that the existing certificated common carriers in the area gave poor delivery with respect to perishable items and that Saia's proposed service into the area would meet his needs and he would use said service.

There was other testimony by public witnesses which was of a cumulative nature and need not be further detailed.

The Commission, having weighed the evidence of record in this matter, finds that public convenience and necessity require that the application herein be granted to the extent hereinafter set forth. Applicant is hereby placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized on 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 modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

ORDER

The above-entitled application having been considered, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS ORDERED:

· (1) That a certificate of public convenience and necessity be granted to Joe Saia authorizing him 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 as more specifically set forth in Appendix A attached hereto and made a part hereof.

- (2) That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:
 - (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that he will be required, among other things, to file annual reports of his 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.
 - (b) Within sixty days after the effective date hereof, and on not less than ten 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.

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

Dated at San Francisco, California, this 15 day of Ortoler, 1958.

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Joe Saia, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport general commodities between the following points:

- (a) The unincorporated area of Bowman, Placer County, on the one hand, and the point generally referred to as Weimar, Placer County, on the other hand, and all points intermediate thereto along U. S. Highway No. 40. This authority shall also include the right to serve points within five air miles distance of either side of U. S. Highway No. 40 between Bowman and Weimar.
- (b) The point in El Dorado County generally referred to as Inspiration Point, on the one hand, and thence along State Highway No. 89 to the point at which said state highway intersects U. S. Highway No. 50, on the other hand, and all points intermediate thereto on State Highway No. 89. This authority shall also include the right to serve points within five air miles distance of either side of State Highway No. 89 between Inspiration Point and said intersection of State Highway No. 89 and U. S. Highway No. 50.
- (c) The point in El Dorado County generally referred to as Fresh Pond, on the one hand, and the point in Placer County generally referred to as Stateline, on the other hand, and all points intermediate thereto along U. S. Highway No. 50. This authority shall also include the right to serve points within five air miles distance of either side of U. S. Highway No. 50 between Fresh Pond and Stateline.

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Applicant shall not transport any shipments of:

- 1. Used household goods and personal effects not packed in accordance with the crated property requirements set forth in paragraph (d) of Item No. 10-C of Minimum Rate Tariff No. 4-A.
- 2. Automobiles, trucks and buses, viz.: new and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses and taxis; freight automobiles, automobile chassis, trucks, truck chassis, truck trailers, trucks and trailers combined, buses and bus chassis.
- Livestock, viz.: bucks, bulls, calves, cattle, cows, dairy cattle, ewes, goats, hogs, horses, kids, lambs, oxen, pigs, sheep, sheep camp outfits, sows, steers, stags or swine.
- 4. Liquids, compressed gases, commodities in semiplastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles.
- 5. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
- 6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
- 7. Logs.

End of Appendix A

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