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Decision No. <u>59595</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of BLYTHE TRANSPORTATION, a California corporation, for an in lieu certificate of public convenience and necessity as a highway common carrier of general and special commodities between Blythe, California, and certain points in Southern California, pursuant to Sections 1063-1064 of the California Public Utilities Code.

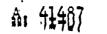
Application No. 41487

Glanz and Russell, by <u>Arthur Glanz</u> and <u>R. Y. Schureman</u>, for applicant.

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

Applicant is engaged in the operation of a highway common carrier service for the transportation of general commodities between Los Angeles and Riverside, on the one hand, and Blythe and points within 25 miles of Blythe, on the other hand; for the transportation of liquors, beverage, between Azusa, Claremont and Ontario, on the one hand, and Blythe and points within 25 miles of Blythe, on the other hand; and sacked cement, building blocks and slag or cinders and cement combined, between Corona, on the one hand, and points within 25 miles of Blythe, on the other hand; subject to the condition, among others, that applicant shall not establish through routes and joint rates, charges and classifications as to the separate authorities referred to, and shall not transport certain commodities, including livestock.

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By the application herein, filed on September 14, 1959, applicant seeks authority to transport general commodities between the additional point of Indio, on the one hand, and Blythe and points within 25 miles thereof, on the other hand, and the removal of the restriction against the transportation of livestock.

A public hearing on the application was held in Blythe on December 8, 1959, before Examiner Kent C. Rogers, and the matter was submitted. There were no protests.

The record shows that approximately 150,000 calves per year are transported from Blythe, and within 25 miles thereof, to the Los Angeles territory. The main portion of applicant's hauling is now from the Los Angeles area to the Blythe territory and applicant's trucks return to Los Angeles from Blythe with little lading. If applicant secures the authority to transport livestock it will be enabled to improve its financial condition and operate more efficiently. With modern steam cleaning methods, applicant's general commodity equipment can be used to carry livestock. Rates for the proposed service will be substantially in conformity with those published in Western Motor Tariff Bureau, Inc., Agent, Livestock Tariff No. 1, California Public Utilities Commission No. 5 (Beeler Agent Series), W. J. Knoell, Issuing Officer.

The record further shows that there is a substantial tonnage of general freight originating at Indio and destined to Blythe and that this freight is now carried by applicant as a permitted carrier to meet the public needs. Applicant will establish rates for this service in substantial conformance with the rates set forth

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in Western Motor Tarlff Bureau, Inc., Agent, Local, Joint and Proportional Freight Tariff No. 17-A (Elmer Ahl Agent Series), W. J. Knoell, Issuing Officer.

Applicant provides an overnight service between Los Angeles and Blythe, and would make its Indio pickups and deliveries in this scheduled service.

Several shippers of cattle and general commodities testified that they would use the proposed service, and the applicant's president testified that additional shippers of general commodities and cattle stated they would use it.

Applicant has sufficient equipment in good repair. It recently spent approximately \$8,600 in repairing its equipment and shows a loss of approximately \$11,260 for the period of August 11 to November 30, 1959, due to said repairs, and also, in part, to the fact that the business is seasonal. Applicant hopes to improve the profit and loss statement with the cattle hauling and the additional traffic between Indio and Blythe.

Upon consideration of the evidence herein, the Commission is of the opinion and finds that public convenience and necessity require that applicant be authorized to transport general commodities between Indio, on the one hand, and Blythe, and points within 25 miles thereof, on the other hand, and that the existing restriction in applicant's authority that it transport no livestock be removed. The ensuing order will so provide.

Applicant is hereby 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

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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

A public hearing having been held, and based on the evidence therein adduced,

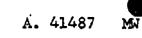
IT IS ORDERED:

1. That a certificate of public convenience and necessity is granted to Blythe Transportation, a California corporation, authorizing it 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 particularly set forth in Appendix A attached hereto and made a part hereof. Said authority is in lieu of and supersedes all existing highway common carrier authority of said applicant, which authority is revoked, said revocation to become effective concurrently with the effective date of the tariff filings required by paragraph 2 b. 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 it will be required, among other things, to file annual reports of its operations and to comply

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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 upon 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.

San Francisco , California, this _/A Dated at day of February, 1960 .. resident 2 Z ommissioners

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Appendix A

Blythe Transportation

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Blythe Transportation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport:

- 1. GENERAL COMMODITIES between Los Angeles, Riverside and Indio, on the one hand, and Blythe and points within 25 miles of Blythe, on the other hand.
- 2. LIQUORS, BEVERAGE, as listed under that heading in Items Nos. 56830 through 56880 of Western Classification No. 76, George H. Dumas, Agent, on the issue date thereof, between Azusa, Claremont and Ontario, on the one hand, and Blythe and within 25 miles of Blythe, on the other hand.
- 3. Cement, hydraulic, masonry, mortar, natural or Portland, in sacks, and blocks, building, hollow, or briquettes, slag or cinders and Portland cement combined, between Corona, on the one hand, and Blythe and points within 25 miles of Blythe, on the other hand.

The authorities hereinabove set forth in paragraphs 1, 2 and 3, do not include the right to render service to, from or between intermediate points.

Applicant shall not establish through routes and joint rates, charges and classifications as to the separate authorities hereinabove set forth in paragraphs 1, 2 and 3.

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Blythe Transportation

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Applicant shall not transport any shipments of:

- 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.
- 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.
- 3. 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.
- 4. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
- 5. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.

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