ORIGINAL

Decision No. 59617

CF

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PACIFIC MOTOR TRANSPORT COMPANY for a certificate of public convenience and necessity authorizing operations as an express company to, from and between designated points in the State of California, and for an inlieu certificate.

Application No. 41685

OPINION

Pacific Motor Transport Company is a California corporation operating as an express company to, from and between points in the Counties of Fresno, Imperial, Kern, Kings, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Tulare, Los Angeles, Orange and Ventura pursuant to a certificate of public convenience and necessity granted by this Commission by Decision No. 57904. By this application filed November 23, 1959, it requests authority, pursuant to Section 1010 of the Public Utilities Code, to operate as an express corporation, as that term is defined in Section 219 of said Code, for the transportation of property to, from and between all points served by Pacific Motor Trucking Company on the routes and within the areas applicant presently serves and also points generally along and laterally of U. S. Highway 101 as far north as Cloverdale; along and laterally of U.S. Highways 99, 40 and 50 as far north as Red Bluff and east to Truckee; north along U. S. Highways 395 and 6 to points near Bishop; and Benton, which is located on State Highway 120.

Applicant seeks this extension of its express rights to all points presently served by Pacific Motor Trucking Company in this State so that it will have co-extensive operating rights with that of its

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underlying highway common carrier. It is asserted that ability to serve a substantial number of the points served by Pacific Motor Trucking Company and inability to serve other points served by that carrier results in confusion among applicant's employees, particularly in connection with the issuance of shipping documents, as well as confusion among members of the shipping public.

At the time this application was filed copies were served upon applicant's competitors, Valley Express Company, California Motor Express, Ltd., and Railway Express Agency, Inc. No one has protested the granting of the application. It is alleged that the points proposed to be served, as well as those presently served by applicant, are now named in E. J. McSweeney, Agent, Local and Joint Freight and Express Tariff No. 1, Cal. P.U.C. No. 1, and the rates applicable between all points named therein are the minimum rates established by this Commission. All such points are presently served by Pacific Motor Trucking Company pursuant to said tariff.

The Commission is of the opinion and finds that public convenience and necessity require that applicant provide a complete service to, from and between all points on the routes and within the areas as requested in this application. A public hearing is unnecessary.

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 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.

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<u>O R D E R</u>

Application therefor having been filed, and based upon the above findings,

IT IS ORDERED:

1. That a certificate of public convenience and necessity is granted to Pacific Motor Transport Company authorizing it to operate as an express corporation as that term is defined in Section 219 of the Public Utilities Code for the transportation of property to, from and between all the points on the routes and within the areas presently authorized to be served by Pacific Motor Trucking Company, as more particularly set forth in Appendix A attached to Decision No. 56898 in Application No. 35802, as modified by Decision No. 57886 in Application No. 35886 and by Decision No. 58953 in Application No. 41276, which Appendix A as modified is by reference made a part hereof.

2. That in providing service pursuant to the authority 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 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 on not less than ten days' notice to the Commission and to the public, applicant shall establish the service herein authorized and file in triplicate and concurrently make effective, tariffs satisfactory to the Commission.

3. That the certificate of public convenience and necessity issued to applicant by Decision No. 57904, dated January 20, 1959, in Application No. 40026, shall be canceled and revoked, said cancellation and revocation to become effective concurrently with the effective date of the tariff filings required by paragraph 2 (b) hereof.

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

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