

ORIGINAL

Decision No. 60972

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LOS ANGELES CITY EXPRESS, INC., a)
California corporation, for a cer-)
tificate of public convenience and)
necessity, authorizing removal of)
a certain restriction under its)
present certificate, and extension)
of its present authority and is-)
suanace of an in lieu certificate.)

Application No. 42580

O P I N I O N

By the application herein, filed on August 16, 1960, ap-
plicant, a highway common carrier operating as such pursuant to
authority from this Commission, seeks an in lieu certificate of pub-
lic convenience and necessity authorizing it to transport general
commodities with exceptions:

1. To, from, and between all points and places located in the Los Angeles Basin Territory as described in Item 270-A of Minimum Rate Tariff No. 2.
2. Between the Los Angeles Basin Territory, on the one hand, and Calimesa, Banning, Beaumont, Palm Springs, Twentynine Palms, Indio, Coachella and Mecca, on the other hand, via U. S. Highways 395, 60, 70, 99 and 111, and State Highway 79, and unnumbered Twentynine Palm highway, serving all intermediate points and points located within ten miles laterally of the highways listed.
3. Between the Los Angeles Basin Territory, on the one hand, and Victorville, Apple Valley, Barstow, Camp Irwin, Beechers Corners, Muroc, Edwards, Edwards Air Force Base, and George Air Force Base, on the other hand, via U. S. Highways 395, 66, 91 and 466, and unnumbered highway between Victorville and Barstow, serving all intermediate points and points located within ten miles laterally of the highways listed.

4. Between the Los Angeles Basin Territory, on the one hand, and Newhall, Saugus, Acton, Palmdale, Lancaster, Rosamond, Mojave, and Edwards, Edwards Air Force Base, on the other hand, via U. S. Highways 99 and 6 and unnumbered highway between U. S. 466 and U. S. 6 via Edwards Air Force Base, serving all intermediate points and points located within ten miles laterally of the highways listed.

Service is proposed to, from, and between all points and places listed above.

Applicant proposes to use all available public highways between points proposed to be served as hereinabove mentioned and within the cities proposed to be served, and proposes to use such streets and highways as may be necessary to serve consignors and consignees located in said cities.

Applicant's present authority, Decision No. 59742, dated February 29, 1960, in Application No. 41167, restricts it from providing service to, from, or between the therein described points outside the Los Angeles Basin Territory and other points outside the territory. Applicant requests the removal of said restriction.

As justification for the granting of the requested authority applicant alleges

- (1) That it has operated between the points proposed to be served continuously for many years as a permitted carrier.

- (2) That since the issuance of Decision No. 59742, supra, applicant has received numerous requests from various shippers having movements of general commodities to, from, and between the points and places located in the present permitted service area.

- (3) That during the past three years there has been an ever-increasing demand made upon applicant for the service proposed in the herein application; that during the past four years and since

the issuance of the original certificate to applicant (Decision No. 53089, dated May 15, 1956, on Application No. 36374) there have been substantial increases in population and industry in the points and places presently served and proposed to be served by applicant.

(4) That applicant's regular customers frequently have occasion to tender shipments which require split deliveries when both deliveries are within applicant's presently authorized service area as a common carrier, and in other instances when only one delivery would be within the area and the other delivery outside the area. This places a rate burden on applicant's regular customers.

The proposed service will be on-call but will be conducted daily, except Sundays and holidays, between one or more of the pairs of points proposed to be served. Saturday delivery at destination points will be provided.

Applicant is a party to Western Motor Tariff Bureau, Inc., Agent, Local, Joint and Proportional Freight Tariff No. 18-B, California P.U.C. No. 17, J. L. Beeler, Agent, Series, in the publication of its rates and charges with respect to the commodities which it presently transports between the points it now serves as a highway common carrier. In connection with the proposed service, applicant proposes to establish rates substantially in conformity with the rates presently published in the above described tariff.

Applicant's terminal is in Los Angeles, and it owns and operates 58 pieces of equipment of all types.

Its financial condition as of December 31, 1959, shows total assets of \$126,984, liabilities of \$63,312, and a net worth of \$63,672. The net profit for the year 1959, after income taxes, was \$12,372.

Applicant proposed to continue in effect the restriction contained in its existing certificate except for the inter-city service restriction which will be removed by the certificate herein granted. Paxton Trucking Company requested the inclusion of an additional restriction, to wit:

Commodities that because of size or weight require special equipment or handling.

Applicant has advised the Commission that it has no objection to such restriction and it will be included in the order herein.

Applicant served a copy of the application on all known competing carriers at the time it filed the application with the Commission. There were no objections received by the Commission other than that of Paxton Trucking Company, referred to supra.

The Commission having considered the matter is of the opinion and finds and concludes that public convenience and necessity require that applicant be authorized to establish and operate a highway common carrier service as hereinafter set forth. An in lieu certificate will be granted for the purpose of clarification, in place of applicant's present operating authority which will be cancelled. A public hearing is not deemed necessary.

Los Angeles City Express, Inc., 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.

O R D E R

An application having been filed, the Commission having found that public convenience and necessity require that applicant be granted the authority it has requested, subject to restrictions, and based on said finding,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is granted to Los Angeles City Express, Inc., a 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 as more particularly set forth in Appendix A and Appendix B 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 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 and insurance requirements of the Commission's General Order No. 100-A. 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 Orders Nos. 99 and 100-A, 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.

(3) That the certificate of public convenience and necessity granted in paragraph (1) of this order is in lieu of and supersedes the existing certificate of public convenience and necessity as a highway common carrier heretofore granted to Los Angeles City Express, Inc., by Decision No. 59742, dated February 29, 1960, in Application No. 41167, which certificate is hereby cancelled and revoked, said 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 effective date hereof.

Dated at Los Angeles, California, this 1st day of November, 1960.

[Signature]
 President

[Signature]

[Signature]

[Signature]
 Commissioners

Los Angeles City Express, Inc., a corporation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport general commodities:

1. BETWEEN all points and places within the Los Angeles Basin Territory as described in Appendix E attached hereto.
2. BETWEEN the Los Angeles Basin Territory, on the one hand, and, on the other hand, all points and places located on and along and within ten miles laterally of the following routes:
 - a. U. S. Highway 99 between Redlands and Coachella, inclusive.
 - b. U. S. Highway 60 between Riverside and Beaumont, inclusive.
 - c. State Highway 111 between the junction with U. S. Highway 99 near Whitewater and Mecca, inclusive.
 - d. Unnumbered highway known as Twentynine Palms Highway between the junction with U. S. Highway 99 near Whitewater and Twentynine Palms, inclusive.
 - e. U. S. Highway 395 between San Bernardino and Kramer Junction, inclusive.
 - f. U. S. Highways 66 and 91 between San Bernardino and Barstow, inclusive.
 - g. State Highway 18 between Victorville and Apple Valley, inclusive.
 - h. Unnumbered highway between Victorville and Barstow, inclusive.
 - i. Unnumbered highway between Barstow and Camp Irwin, inclusive.
 - j. U. S. Highway 466 between Barstow and Mojave, inclusive.
 - k. U. S. Highway 6 between San Fernando and Mojave, inclusive, including the off-route points of Saugus, Newhall and Acton.
 - l. Unnumbered highway between Rosamond and junction with U. S. Highway 466 via Edwards.

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Applicant shall not transport any shipments of:

- (a) 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.
- (b) 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.
- (c) 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.
- (d) Liquids, compressed gases, commodities in semi-plastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles.
- (e) Commodities when transported in bulk in dump trucks or in hopper-type trucks.
- (f) Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
- (g) Commodities that, because of size or weight, require special equipment or handling.

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LOS ANGELES BASIN TERRITORY includes that area embraced by the following boundary: Beginning at the point the Ventura County-Los Angeles County boundary line intersects the Pacific Ocean; thence northeasterly along said county line to the point it intersects State Highway No. 118, approximately two miles west of Chatsworth; easterly along State Highway No. 118 to Sepulveda Boulevard; northerly along Sepulveda Boulevard to Chatsworth Drive; northeasterly along Chatsworth Drive to the corporate boundary of the City of San Fernando; westerly and northerly along said corporate boundary to McClay Avenue; northeasterly along McClay Avenue and its prolongation to the Angeles National Forest Boundary; southeasterly and easterly along the Angeles National Forest and San Bernardino National Forest boundary to the county road known as Mill Creek Road; westerly along Mill Creek Road to the county road 3.8 miles north of Yucaipa; southerly along said county road to and including the unincorporated community of Yucaipa; westerly along Redlands Boulevard to U. S. Highway No. 99; northwesterly along U. S. Highway No. 99 to the corporate boundary of the City of Redlands; westerly and northerly along said corporate boundary to Brookside Avenue; westerly along Brookside Avenue to Barton Avenue; westerly along Barton Avenue and its prolongation to Palm Avenue; westerly along Palm Avenue to La Cadena Drive; southwestly along La Cadena Drive to Iowa Avenue; southerly along Iowa Avenue to U. S. Highway No. 60; southwestly along U. S. Highways Nos. 60 and 395 to the county road approximately one mile north of Perris; easterly along said county road via Nuevo and Lakeview to the corporate boundary of the City of San Jacinto; easterly, southerly and westerly along said corporate boundary to San Jacinto Avenue; southerly along San Jacinto Avenue to State Highway No. 74; westerly along State Highway No. 74 to the corporate boundary of the City of Hemet; southerly, westerly and northerly along said corporate boundary to the right of way of The Atchison, Topeka & Santa Fe Railway Company; southwestly along said right of way to Washington Avenue; southerly along Washington Avenue, through and including the unincorporated community of Winchester to Benton Road; westerly along Benton Road to the county road intersecting U. S. Highway No. 395, 2.1 miles north of the unincorporated community of Temecula; southerly along said county road to U. S. Highway No. 395; southeasterly along U. S. Highway No. 395 to the Riverside County-San Diego County boundary line; westerly along said boundary line to the Orange County-San Diego County boundary line; southerly along said boundary line to the Pacific Ocean; northwesterly along the shore line of the Pacific Ocean to point of beginning.

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