

61732

ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE RIVER LINES, INC.,
 a corporation, for a certificate of
 public convenience and necessity
 authorizing the substitution of motor
 carrier service in lieu of water
 service between Colusa, California,
 and Grimes, California.

Application No. 42875

O P I N I O N

By this application, filed November 21, 1960, The River Lines, Inc., requests a certificate of public convenience and necessity authorizing operation as a highway common carrier between Colusa and Grimes, California, said certificate to be limited:

(1) to the transportation of grain (including barley, corn, milo, oats, wheat and paddy rice) in bulk and safflower seed in bulk in specialized equipment; (2) to the transportation of such bulk commodities only when tendered at one of the Sacramento River Warehouse Company's warehouses located on the Sacramento River at Colusa;

(3) to the transportation by highway common carrier in lieu of vessel from Colusa to Grimes; and (4) to such highway common carrier service between Colusa and Grimes, when performed in connection with a subsequent movement by water from Grimes to destination.

Applicant proposes to substitute, at its option when conditions require, motor transportation for water transportation from warehouses of Sacramento River Warehouse Company at Colusa to Grimes, and thereby make available at all times to bulk grain and safflower seed shippers in the Colusa area the modern bulk loading facilities of applicant and Sacramento River Warehouse Company at

Grimes. Thus, said shippers, it is alleged, will be able to take advantage of the low water transportation rates from Colusa to San Francisco, Oakland, Alameda, Stockton, Sacramento and Petaluma, California.

As justification for granting the request, it is alleged that for over seventy-five years applicant or its predecessors have served grain shippers at Colusa and other river points. Until recent years the grain was loaded and transported in sacks on applicant's barges. The economic transportation of bulk grain and seed by barge now requires that such product be loaded by modern up-to-date bulk loading equipment. No modern equipment is available at Colusa but applicant and Sacramento River Warehouse Company have such modern equipment at Grimes. These facilities have recently been provided at a cost of approximately \$100,000.

In addition, it is asserted that at times the Sacramento River between Grimes and Colusa is subject to rapid formation of shoals and sand bars, making navigation difficult, if not impossible, until dredging is performed. At various times in the year, a fully loaded barge thus cannot operate between Grimes and Colusa. At such times the only feasible mode of transportation is by land.

It is further alleged that many requests have been made for applicant to provide this service by bulk grain and seed shippers from Colusa to Grimes. The certificated highway common carriers serving these points are stated to be Delta Lines, Inc., Fortier Transportation Company, Merchants Express of California, Sheedy Drayage Company, Interline Motor Express Company, Valley Motor Lines and Valley Express Company. The applicant alleges that none of these carriers publishes bulk grain rates or transports these products in

bulk. These carriers and the railroads in the area have been served with copies of the application and of an amendment filed January 13, 1961, but no protests to granting the request have been submitted to the Commission. This amendment requests authority under Section 454 of the Public Utilities Code to establish a rate of \$3.75 per ton from Colusa to San Francisco, Oakland, Alameda, Stockton and Petaluma for the highway-barge movement, or \$1.00 per ton higher than the all-barge rate. It is asserted that this increase is no greater than necessary to recover the additional estimated cost of the truck-barge haul.

The Commission finds from a consideration of the verified application, as amended, that the proposed highway common carrier service is required by public convenience and necessity. It is further found that such allegations constitute a sufficient showing as required by Section 454 of the Public Utilities Code and that the proposed increase in the rate by \$1.00 per ton for the truck-barge haul from Colusa to San Francisco, Oakland, Alameda, Stockton and Petaluma is justified. A public hearing is not necessary.

The River Lines, Inc., a corporation, 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, and based on said finding,

IT IS ORDERED:

1. That a certificate of public convenience and necessity be and it hereby is granted to The River Lines, Inc., a corporation, authorizing it to operate as a highway common carrier, as defined in Section 213 of the Public Utilities Code, between the points and over the routes as more particularly 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 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 one hundred twenty 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.

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

Dated at San Francisco, California, this 28th
day of March, 1961.

Carol B. Page
President
W. E. Mitchell
E. J. Fox
George E. Thayer
Frederick B. Haloboff
Commissioners

(1) The River Lines, Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport:

a. Grain, viz.:

Barley; Buckwheat; Corn or Maize (except Pop Corn); Pop Corn, not popped; Emmer; Oats; Rye; Spelt; Wheat;

Sorghum Grains, viz.:

Darese, Durra, Egyption Wheat, Feterita, Hegari (Higera), Kaffir Corn, Koaliang, Milo Maize, Shallu and Shrock Kaffir;

Screenings from grains specified above, unground, not containing more than 5% Flaxseed.

b. Paddy Rice.

c. Safflower Seed.

(2) The authority described in paragraph (1) hereof is subject to the following conditions and limitations:

a. Such commodities shall be transported in bulk in specialized equipment.

b. Such commodities shall be tendered to the carrier at one of the warehouses of Sacramento River Warehouse Company located on the Sacramento River at Colusa.

c. The transportation by highway common carrier may be performed as a substitute service for water carrier service from Colusa to Grimes at carrier's option.

d. The highway common carrier service from Colusa to Grimes shall be performed only when in connection with a subsequent movement by water from Grimes to destination.

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(3) Service pursuant to the authority described in paragraphs (1) and (2) hereof shall be conducted over and along State Highway No. 20 from Colusa to the junction of said highway with unnumbered county road approximately 2 miles north of Sycamore thence over said county road via Sycamore to Grimes.

End of Appendix A

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