

Decision No. 62551**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application .)
 of DALZELL CORPORATION,)
 a corporation, for a certificate of)
 public convenience and necessity)
 to operate as a highway common)
 carrier.)

Application No. 42236
 (Filed May 9, 1960)

Handler and Baker by Daniel A. Baker,
 for applicant.
 Graham, James and Rolph by Boris H. Lakusta
 and Robert L. Harmon, for Associated Freight
 Lines, California Motor Express, Ltd.,
 California Motor Transport, Ltd., Delta
 Lines, Inc., Di Salvo Trucking Co.,
 Interlines Motor Express, Merchants Express
 of California, Oregon-Nevada-California Fast
 Freight, Southern California Freight Lines,
 Pacific Motor Trucking Co., Shippers Express,
 Sterling Transit Co., Inc., Valley Express
 Co., Valley Motor Lines, Inc., Willig Freight
 Lines and Neilson Freight Lines, interested
 parties.

O P I N I O N

This application was heard before Examiner Thomas E. Daly at San Francisco and Oakland with the matter being submitted on July 6, 1961. Copies of the application and the notice of the hearing were served in accordance with the Commission's procedural rules. The carriers listed above as interested parties initially appeared in protest; following applicant's presentation and its amendment to the application restricting the commodities sought, such protests were withdrawn.

Dalzell Corporation is a highway permit carrier engaged in the transportation of heavy or bulky shipments. By its application as amended applicant requests authorization to conduct operations as a highway common carrier for the transportation of the following commodities:

- (a) Construction, mining and logging machinery, equipment, materials and supplies; and
- (b) Commodities which by reason of size, weight or bulk require special equipment or handling, and materials, parts or supplies that are appurtenant to or a necessary part of such commodities,

between all points on or within 25 miles of all major highways from the California-Oregon border on the north to San Luis Obispo, Maricopa and Mojave, on the south.

The operations herein considered were first commenced in 1926 by Clyde R. Dalzell, doing business as Dalzell Rigging Company. On December 7, 1960, the company was incorporated as Dalzell Corporation. Mr. Dalzell retired and his two sons took over ownership and active management.

Applicant owns and operates a terminal located at Marysville, California. It contains 37,500 square feet of land upon which is situated a building consisting of 5,000 square feet of garage and office area and 6,850 square feet of warehouse space. It owns and operates fifteen pieces of equipment consisting for the most part of flat-bed and low-bed units.

The proposed service will be on an "on-call" basis and time in transit will be both same day and overnight. The rates, rules and regulations which will govern the operation will be generally the same as those set forth in Minimum Rate Tariff No. 2.

As of March 31, 1961, applicant indicated total assets in the amount of \$66,525.19 and total liabilities in the amount of \$59,437.17. For the period November 16, 1960 to March 31, 1961, it realized a net profit in the amount of \$7,088.02.

Mr. Paul R. Dalzell, applicant's president and general manager, testified that throughout its entire experience, applicant and its predecessor have specialized in the transportation of heavy

or bulky shipments and commodities transported incidentally to such heavy and bulky shipments. Most of the commodities are described as construction, mining and logging machinery, equipment, materials and supplies and commodities which, by reason of size, weight or bulk, require special equipment or handling, and materials, parts or supplies that are pertinent to such commodities. Frequently, such commodities may weigh 15,000 to 25,000 pounds or more and customers will add related commodities to the shipment to take advantage of truckload rates.

It was stated that one of the factors prompting applicant to file the application was the fact that in addition to local operations, applicant provides service to construction job sites throughout northern California. Frequently movements of equipment, materials and supplies have continued on a regular basis for extensive periods. The regularity of such movements has assertedly caused applicant's president some concern about the propriety of the service provided under applicant's permitted authority.

Applicant introduced the testimony of 13 public witnesses representing businesses located in the San Francisco Bay Area. For the most part these witnesses represented general contractors and companies engaged in the manufacturing of heavy machinery, heating and ventilating equipment and the processing of steel products for construction purposes. Each company has used applicant for many years and found the service completely satisfactory because of its specialized nature. The shipments of such companies require special low-bed and flat-bed equipment and the drivers must be trained riggers. These witnesses testified that they have occasion to ship to job sites within the proposed area and that such movements are at times on a regular basis. They also testified that for rate purposes they would use applicant's proposed service for small related

commodities when they could be combined with the heavy and bulky commodities. Each such witness stated that his company was not now using general commodity carriers on the larger shipments because such carriers had neither the facilities nor the trained personnel to provide such service.

After consideration the Commission finds and concludes that applicant possesses the experience, equipment, personnel and financial resources to institute and maintain the proposed service and that public convenience and necessity require the granting of the application as amended.

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.

O R D E R

An application having been filed, a public hearing having been held and based on the evidence therein adduced,

IT IS ORDERED that:


1. A certificate of public convenience and necessity is granted to Dalzell Corporation, 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 more particularly set forth in Appendix A attached hereto and hereby made a part hereof.


2. 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-B. 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-B, 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 the public, applicant shall establish the service herein authorized and file in triplicate, and concurrently make effective, tariffs satisfactory to the Commission.

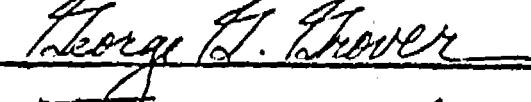
The effective date of this order shall be twenty days after the date hereof.


Dated at San Francisco, California, this 12th
day of SEPTEMBER, 1961.



President








Commissioners

Dalzell Corporation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport the following commodities:

- a. Construction, mining and logging machinery, equipment, materials and supplies; and
- b. Commodities which by reason of size, weight or bulk require special equipment or handling, and materials, parts or supplies that are appurtenant to or a necessary part of such commodities,

between all points and places on and within 25 miles laterally of the following highways:

1. U. S. Highway 101 and 101 By-Pass between the California-Oregon boundary and San Luis Obispo, inclusive;
2. State Highway 1 between Leggett Valley and San Luis Obispo, inclusive;
3. U. S. Highway 199 between the California-Oregon boundary and Crescent City, inclusive;
4. State Highway 96 between U. S. Highway 99, near Yreka, and Willow Creek, inclusive;
5. U. S. Highway 299 between U. S. Highway 101, near Arcata, and Alturas, inclusive;
6. Unnumbered highway between State Highway 96, near Hamburg, and U. S. Highway 299, near French Gulch, via Etna and Trinity Center;
7. U. S. Highways 99, 99-W and 99-E between the California-Oregon boundary and Bakersfield, inclusive;
8. U. S. Highway 97 between the California-Oregon boundary and Weed, inclusive;
9. State Highway 139 between the California-Oregon boundary and Canby, inclusive;

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10. Unnumbered highway between U. S. Highway 97, near Weed, and State Highway 139, via Tennant;
11. State Highway 89 between U. S. Highway 99, near Mt. Shasta, and U. S. Highway 395, near Coleville;
12. State Highway 36 between Alton and Johnstonville, inclusive;
13. U. S. Highway 395 between the California-Oregon boundary and the California-Nevada boundary.
14. Unnumbered highway between Adia and Susanville, inclusive, via Midway House;
15. Unnumbered highway between Laytonville and Red Bluff, inclusive, via Covelo;
16. State Highway 32 between Orland and State Highway 36, near Childs Meadows, inclusive;
17. Unnumbered highway between unnumbered highway, near Paskenta, and State Highway 20, near Wilbur Springs, via Stonyford;
18. State Highway 20 between U. S. Highway 101, near Ukiah, and U. S. Highway 40, near Cisco;
19. State Highways 29 and 53 between Vallejo and State Highway 20, near Lower Lake, inclusive;
20. U. S. Highways 40 and 40-A between San Francisco and the California-Nevada boundary, inclusive;
21. State Highway 49 between State Highway 89, near Sattley, and Mariposa, inclusive;
22. U. S. Highway 50 between San Francisco and the California-Nevada boundary, inclusive;
23. State Highway 24 between Oakland and Sacramento, inclusive;
24. State Highway 4 between U. S. Highway 40, near Pinole, and State Highway 89, near Markleeville;

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25. State Highway 88 between Stockton and the California-Nevada boundary, inclusive;
26. State Highway 108 between Sonora and U. S. Highway 395, near Fales Springs, inclusive;
27. State Highway 120 between U. S. Highway 50, near Lathrop, and U. S. Highway 395, near Leevining;
28. U. S. Highway 395 between the California-Nevada boundary and U. S. Highway 466, near Four Corners;
29. State Highways 9 and 17 between Oakland and Santa Cruz, inclusive;
30. State Highway 33 between U. S. Highway 50, near Tracy, and Maricopa, inclusive;
31. State Highway 152 between Watsonville and Califa, inclusive;
32. State Highway 25 between Gilroy and State Highway 198, near Priest Valley, inclusive;
33. State Highway 140 between Gustine and Yosemite, inclusive;
34. State Highway 41 between Paso Robles and Yosemite, inclusive;
35. State Highway 168 between Fresno and Florence Lake, inclusive;
36. State Highway 180 between Merdota and Cedar Grove, inclusive;
37. State Highway 198 between San Lucas and General Grant Grove, inclusive;
38. U. S. Highway 466 between Paso Robles and U. S. Highway 395 at Four Corners, inclusive;
39. State Highway 65 between U. S. Highway 99, near Bakersfield, and General Grant Grove, inclusive;
40. State Highway 190 between Porterville and Camp Nelson, inclusive;

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41. State Highway 178 between Bakersfield and U. S. Highway 6, near Inyokern, inclusive;
42. Unnumbered highway between Isabelle and Johnsondale, inclusive;
43. U. S. Highway 6 between California-Nevada boundary and Mojave, inclusive.

Except as otherwise provided below, through routes and rates may be established between all points and places specified in subparagraphs 1 through 43.

Restrictions:

(1) Applicant shall perform no service between Redding and points within 10 miles thereof, on the one hand, and, on the other hand, points on and laterally within 25 miles of:

- (a) U. S. Highway 299 between Weaverville and Burney, inclusive;
- (b) U. S. Highway 99 between Red Bluff and the California-Oregon boundary, inclusive; or
- (c) U. S. Highway 97 between Weed and the California-Oregon boundary, inclusive.

(2) Applicant shall not transport shipments of less than 10,000 pounds from, to or between the following:

- (a) Points on State Highway 89 between U. S. Highways 40 and 50;
- (b) Points on U. S. Highways 6 and 395 between U. S. Highway 466 and the California-Nevada boundary;
- (c) Points on U. S. Highway 466 between Edison and U. S. Highway 395 at Four Corners.

End of Appendix A

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