

ORIGINAL

Decision No. 62796

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
GRILEY SECURITY FREIGHT LINES, a )  
corporation, for an in-lieu certificate )  
of public convenience and necessity and )  
to extend highway common carrier service.)

Application No. 43248  
(Filed March 20, 1961)

Bertram S. Silver, for applicant.  
Graham, James and Rolph, by Boris H. Lakusta  
and Leo J. Vander Lans, for the following  
protestants: California Motor Express,  
Ltd., et al.; Delta Lines, Inc.; Di Salvo  
Trucking Co.; Interlines Motor Express;  
Merchants Express of California; Oregon-  
Nevada-California Fast Freight, et al.;  
Pacific Motor Trucking Co.; Shippers  
Express; Sterling Transit Co., Inc.;  
Valley Express Co., et al.; Willig Freight  
Lines.

O P I N I O N

This application was heard before Examiner John Power at Los Angeles on April 26, 27, 28 and June 7, 8 and 9, 1961, being submitted on the last date. The transcripts have all been filed and the matter is ready for decision. Copies of the application and the notice of hearing were served in accordance with the Commission's procedural rules. Those carriers listed in the appearances, above, protested.

Applicant is a highway common carrier of general commodities within the Los Angeles Basin Territory except the Hemet area and the eastern part of Orange County. This is called applicant's Los Angeles area in its certificates. Also it possesses certificated authority between that area and Paso Robles (on U. S. Highway 101), Fresno, San Diego and Imperial Valley. Applicant proposes to extend its service to San Francisco, Sacramento and points on U. S. Highway No. 40 between those two cities; also all points intermediate between

applicant's present northern limits and Highway 40 together with 25-mile lateral rights.

Applicant seeks authority to extend this authority northward to U. S. Highway 40 along U. S. Highways 101 and 99 and State Highway 33 with similar lateral rights. Service would be rendered daily except Sundays and holidays. Rates would be based on the Commission's Minimum Rate Tariff No. 2.

Applicant's operating and shipper testimony indicated the type of service that would be rendered. Such evidence reveals that applicant's operation is very largely centered on Los Angeles. All of the shipper witnesses are based in that area. The strongest testimony came from several witnesses who were using Griley for a consolidated pickup. Plagued by a multitude of carriers they had adopted a policy of letting Griley pick up everything and drop off shipments to over-the-road carriers. In some instances Griley was free to select the beyond carrier. Such a system frequently results in one-day delays. Granting this application would eliminate the one-day delay in the area granted.

Applicant presented little or no evidence as to need for service between the San Francisco-Sacramento area and Valley and Coast points nor between the latter points except for shipments having origin or destination in Los Angeles.

Protestants offered evidence through both operating and shipper witnesses. They presented 54 exhibits relating to their operating rights, services, finances, equipment and terminals.

Based upon all the evidence, it appears, and the Commission finds, that public convenience and necessity require the extension of applicant's service to the area sought on a limited basis. The Commission finds that applicant has failed to establish that public

convenience and necessity require any additional service between intermediate points or between San Francisco Territory and points on U. S. Highways 40 and 50, on the one hand, and San Joaquin Valley and Coast points, on the other hand.

Applicant possesses the equipment, experience, personnel and financial resources to institute and maintain the proposed service.

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

Public hearing having been held and based upon the evidence therein adduced,

IT IS ORDERED that:

1. A certificate of public convenience and necessity be and it is granted to Griley Security Freight Lines, 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 Appendices A and B attached hereto and hereby made a part hereof.

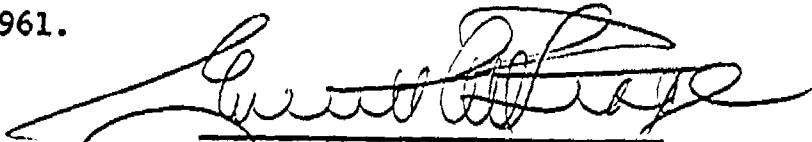


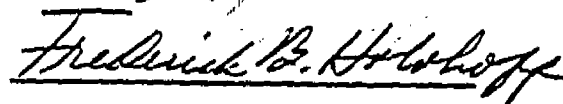
2. In providing service pursuant to the authority herein granted, applicant shall comply with and observe the following service regulations:

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

3. The certificate of public convenience and necessity granted in paragraph 1 of this order supersedes the certificate of public convenience and necessity granted by Decision No. 60748 which certificate is hereby 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 date hereof.

Dated at San Francisco, California, this 14<sup>th</sup> day of NOVEMBER, 1961.

  
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 President  
  
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Commissioners

Griley Security Freight Lines, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport general commodities between the points hereinafter designated:

Territory A

1. All points and places in the designated Los Angeles Area as said area is described on Appendix B hereto attached.
2. Between all points and places on and within 25 miles laterally of the following described routes subject to the restrictions hereinafter noted:
  - a. Between San Ysidro and Paso Robles over U. S. Highways 101 and 101 Alternate. (See Restriction 2 hereof.)
  - b. Between Ventura and Fresno over U. S. Highway 399 to State Highway 33, thence over State Highway 33 to State Highway 41, thence over State Highway 41 to Fresno. (See Restriction 2 hereof.)
  - c. Between Paso Robles and Famoso over State Highway 41 and U. S. Highway 466. (See Restriction 2 hereof.)
  - d. Between Los Angeles and Fresno over U. S. Highway 99. (See Restrictions 1 and 2 hereof.)
  - e. Between Ford City and Greenfield over U. S. Highway 399.
  - f. Between junction U. S. Highway 99 (near Oildale) and Fresno via State Highways 65, 63, Oroquieta, Cutler, Dinuba, Kingsburg and Sanger.
  - g. Between San Diego and San Bernardino via U. S. Highway 395.
  - h. Between Riverside and Colton, on the one hand, and Calexico, on the other hand, via U. S. Highways 60, 70, 99 and State Highway 111. (See Restriction 3 hereof.)

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- i. Between San Diego and Junction U. S. Highway 99 near El Centro via U. S. Highway 80.

Through routes and rates may be established between any and all points specified in subparagraphs 1 and 2(a) through (i) above.

Territory B (See Restriction 5 hereof)

1. All points and places in the designated Los Angeles Area as said area is described in Appendix B hereto attached and all points and places on and within 25 miles laterally of the following described routes, subject to restrictions Nos. 4 and 5 hereinafter noted:
  - a. Between the northerly boundary line of the county of San Luis Obispo and San Francisco over U. S. Highways 101 and 101 By-pass.
  - b. Between the northerly boundary line of Fresno County and Sacramento over U. S. Highway 99.
  - c. Between San Francisco and Sacramento over U. S. Highway 40. (See Restriction 4 hereof)
  - d. Between San Francisco and Stockton over U. S. Highway 50.
  - e. Between Manteca and junction U. S. Highway 50 over State Highway 120.
  - f. Between Gilroy and Califa over State Highway 152.
  - g. Between McKittrick and Tracy over State Highway 33.

Applicant may make use of any street, road, highway, ferry or toll bridge necessary or convenient for the purpose of performing the service herein authorized.

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Restrictions:

The lateral 25-mile authority hereinabove set forth shall not include the right to serve:

1. Any point which is located both east of U.S. Highway 99 (not including points on U.S. Highway 99) and north of the Los Angeles Area between Los Angeles and Bakersfield.
2. Any point located northerly of the northerly boundary lines of San Luis Obispo County or Fresno County. (Applies to Territory A only)
3. Any point on the unnumbered highway connecting U.S. Highways 60, 70, 99 and the community of Twentynine Palms.
4. To points more than 3 miles northerly, westerly or northwesterly from U.S. Highway No. 40.
5. Applicant shall transport no shipments to or from Territory B unless such shipment, or some component part thereof (in the event of a multiple lot shipment) has origin or destination in the Los Angeles Area, as described in Appendix B hereto attached.

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Applicant shall not transport any shipments of:

1. 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.
2. 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. (Provided that this exception to general commodities shall not apply to service between the City of Los Angeles and Goleta and intermediate points on U. S. Highways 101 and 101 Alternate, and further provided that special equipment shall not be used in the transportation of any of the commodities listed in this paragraph 2.)
3. 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.
4. 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.
5. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
7. Logs.

End of Appendix A

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LOS ANGELES AREA

The term "Los Angeles Area" as used in this order means all points and places included within and three miles laterally of the following boundary line:

Beginning at the intersection of State Highway No. 27 and U. S. Highway No. 101, Alternate; northerly on State Highway No. 27 to a point where the city limits of the City of Los Angeles is intersected thereby; westerly, northerly and easterly along said city limits of Los Angeles to its intersection with the southerly boundary of the Angeles National Forest at a point approximately 1.2 miles east of the joinder of U. S. Highways Nos. 6 and 99; 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 and including the City of Redlands; westerly along U. S. Highway No. 99 to U. S. Highway No. 395; southerly along U. S. Highway No. 395 to Alessandro; westerly along unnamed county road to Arlington; southwestly along State Highway No. 18 to U. S. Highway No. 91; westerly along U. S. Highway 91 to State Highway No. 55; southerly on State Highway No. 55 to the Pacific Ocean; westerly and northerly along the shore line of the Pacific Ocean to a point directly south of the intersection of State Highway No. 27 and U. S. Highway No. 101, Alternate; thence northerly along an imaginary line to point of beginning.

End of Appendix B

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