

ORIGINAL

Decision No. 62340

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Albert S. Fitz-Gerald,
doing business as Fitz-Gerald Bros.,
a sole proprietorship to transfer
operating rights and other public
utility properties to Certified
Freight Lines, Inc., a corporation;
of Edwin F. Nelson and Edwin M.
Taylor, individuals, to transfer all
of the capital stock of Arroyo Grande
Truck Company, a corporation, to
Certified Freight Lines, Inc. of
Certified Freight Lines, Inc. to merge
the operating rights and properties of
Arroyo Grande Truck Company into
Certified Freight Lines, Inc. and of
Certified Freight Lines, Inc., a
corporation, for authority to issue
capital stock.

Application No. 43851

O P I N I O N

This application was filed on October 17, 1961, for an order of the Commission authorizing the consolidation under one ownership of the highway common carrier operative rights and properties of Albert S. Fitz-Gerald, doing business as Fitz-Gerald Bros., and of Arroyo Grande Truck Company, a corporation.

The application shows that Albert S. Fitz-Gerald operates, among other places, between the Los Angeles Metropolitan Area and Santa Maria and San Jose and that Arroyo Grande Truck Company operates, among other places, between points in southern California and points in the San Francisco Bay Area.

For the five months ended May 31, 1961, said Fitz-Gerald reported operating revenues of \$306,787 and net income of \$4,534, before income taxes, and said corporation reported operating revenues of \$294,963 and net income of \$5,034, before income taxes.

The two carriers, pursuant to Commission authorization, have established certain through service and joint rates. They now propose, through a consolidation of ownership, to provide through service between Los Angeles and the San Francisco Bay Area, and certain points intermediate thereto, and to that end they have made arrangements whereby said Fitz-Gerald will transfer his operative rights and equipment to Certified Freight Lines, Inc., a recently organized corporation, in exchange for \$29,400 par value of common stock and Certified Freight Lines, Inc., will acquire the outstanding shares of stock of Arroyo Grande Truck Company and thereafter will merge that corporation's operative rights and properties into it on the basis of the net worth of Arroyo Grande Truck Company as reflected by its balance sheet, after certain adjustments, and will issue an additional \$29,400 of its stock to the present owners of the outstanding stock of Arroyo Grande Truck Company.

Applicants assert that by consolidating the operations, savings in overhead and other costs can be effected by the elimination of duplicate facilities, functions and duties, thus creating a financially stronger business. It appears that there will be no change in the rates or any reduction in the service or personnel as a result of the proposed transaction and, upon reviewing this

matter, we find and conclude that the proposed transfers will not be adverse to the public interest and that public convenience and necessity require that Certified Freight Lines, Inc., be granted an in-lieu certificate to conduct the operations it will acquire from Albert S. Fitz-Gerald and Arroyo Grande Truck Company.

In making our order in this proceeding, we place Certified Freight Lines, Inc., upon 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, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state, which is not in any respect limited as to the number of rights which may be given.

The action taken herein shall not be construed to be a finding of the value of the rights and properties herein authorized to be transferred.

O R D E R

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary; that the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purposes specified herein; and

that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS ORDERED that -

1. Within one hundred twenty days after the effective date hereof, Albert S. Fitz-Gerald may sell and transfer, and Certified Freight Lines, Inc., may purchase and acquire, the highway common carrier operative rights and properties referred to in this application.

2. Within thirty days after the consummation of the transfer authorized in Paragraph 1 hereof, Certified Freight Lines, Inc., shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

3. On not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, Albert S. Fitz-Gerald and Certified Freight Lines, Inc., shall amend or reissue the tariffs on file with the Commission naming rates, rules and regulations governing the operations here involved to show that Albert S. Fitz-Gerald has withdrawn or canceled, and Certified Freight Lines, Inc., has adopted or established as its own, said rates, rules and regulations. The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80.

4. Within one hundred twenty days after the effective date hereof Certified Freight Lines, Inc., may acquire the outstanding shares of stock of Arroyo Grande Truck Company and thereafter Arroyo Grande Truck Company may merge its operative rights and properties referred to in the application into Certified Freight Lines, Inc.

5. Within thirty days after the consummation of the merger authorized in Paragraph 4 hereof, Certified Freight Lines, Inc., shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said merger.

6. On not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such merger, Arroyo Grande Truck Company and Certified Freight Lines, Inc., shall amend or reissue the tariffs on file with the Commission naming rates, rules and regulations governing the operations here involved to show that Arroyo Grande Truck Company has withdrawn or canceled, and Certified Freight Lines, Inc., has adopted or established as its own, said rates, rules and regulations. The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80.

7. Effective concurrently with the effective date of tariff filings required by Paragraphs 3 and 6 hereof, the certificate of public convenience and necessity granted to Albert S. Fitz-Gerald by Decisions Nos. 60778 and 61924, and the certificate of public convenience and necessity granted to Arroyo Grande Truck Company by Decision No. 62026, are hereby revoked, and simultaneously therewith, an in-lieu certificate of public convenience and necessity is hereby granted to Certified Freight Lines, Inc., 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 Appendices A, B, C, D, E, F and G, attached hereto and made a part hereof.

8. In providing service pursuant to the certificate granted in Paragraph 7 hereof, Certified Freight Lines, Inc., shall comply with and observe the following service regulations:

- a. Within thirty days after the effective date hereof, Certified Freight Lines, Inc., shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, Certified Freight Lines, Inc., 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.

9. In acquiring the operative rights and properties of Albert S. Fitz-Gerald and Arroyo Grande Truck Company under the authorization herein granted, Certified Freight Lines, Inc., may assume the payment of outstanding indebtedness of said carriers and may issue not to exceed \$58,800 par value of its common capital stock.

10. Within 30 days after the completion of said transfers of operative rights and properties and the issue of said stock, Certified Freight Lines, Inc., shall file with the Commission a report as required by General Order No. 24-A, and a copy of each journal entry used to record on its books the acquisition of said rights and properties.

11. The effective date of this order shall be the date hereof.

Dated at San Francisco, California,
this 19th day of DECEMBER, 1961.

Charles H. Rogers
President
W. E. Ketcher
E. J. Fox
George H. Grover
Frederick B. Holcomb
Commissioners

A. Certified Freight Lines, 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, as follows:

1. Between all points and places in the San Francisco Territory as described in Appendix C attached hereto.
2. Between all points and places on and within five miles laterally of the following named highways:
 - a. U.S. Highway 101 Alternate between its junction with U.S. Highway 101 at El Rio and Point Mugu, inclusive.
 - b. State Highway 118 between its junction with U.S. Highway 101 near Ventura and Santa Susana, inclusive.
 - c. State Highway 126 between Ventura and its junction with U.S. Highway 99 at Castaic Junction, inclusive.
 - d. U.S. Highway 399 between Ventura and Wheeler Hot Springs, inclusive.
 - e. State Highway 150 between Santa Ynez and Surf, inclusive, including the off-route point of Point Arguello Naval Missile Facility.
 - f. State Highway 1 between Lompoc and Pismo Beach, inclusive, including the off-route point of Vandenberg Air Force Base.
 - g. Unnumbered county road between its junction with U.S. Highway 101 near Los Alamos and Santa Maria, inclusive, via Sisquoc and Garey.
 - h. Unnumbered county highway between Santa Margarita and Atascadero, inclusive.
 - i. U.S. Highway 101 between Atascadero and San Miguel, inclusive, including the off-route point of Camp Roberts Military Reservation.

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

- j. Unnumbered county highway known as Watsonville Highway between Salinas and Castroville, inclusive.
 - k. State Highway 1 between Castroville and Aptos, inclusive.
 - l. U.S. Highway 101 between Gilroy and Madrone, inclusive.
3. Between all points on the following named highways:
- a. U.S. Highway 101 between Thousand Oaks and San Jose, inclusive.
 - b. State Highway 23 between Fillmore and Moorpark, inclusive.
 - c. State Highway 150 between Santa Paula and Carpinteria and between Santa Barbara and Santa Ynez, inclusive.
 - d. State Highway 1 between Las Cruces and Lompoc, inclusive.
 - e. State Highway 1 between San Luis Obispo and San Simeon, inclusive.
 - f. State Highway 41 between Paso Robles and Cambria, inclusive.
 - g. Unnumbered county highway known as Salinas Monterey Highway between Salinas and Monterey, inclusive, including the off-route point of Spreckels.
 - h. State Highway 1 between Carmel and Santa Cruz, inclusive, including the off-route point of Fort Ord Military Reservation.
4. Between points in the Los Angeles Metropolitan Area as described in Appendix D, on the one hand, and all points described in subparagraphs 1, 2 and 3 above, on the other hand.
5. Through routes and rates may be established between any and all points described in subparagraphs 1 through 3 above.

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

6. Certified Freight Lines, Inc., 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. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.
 - *e. 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.
 - *f. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
 - g. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
 - h. Logs.

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

- *i. Commodities which by reason of their size, bulk or weight require special equipment.
- j. Articles of extraordinary value as set forth in Rule 3 of Western Classification No. 77, J. P. Hackler, Tariff Publishing Officer, on the issue date thereof.
- k. Petroleum products in bulk in tank trucks or tank trailers.
- l. Fresh fruits and vegetables.

*Applies only in connection with shipments between points in the Los Angeles Metropolitan Area as described in Appendix D attached hereto, on the one hand, and all points described in subparagraphs 1, 2 and 3, above, on the other hand.

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Decision No. 62910, Application No. 43851.

B. Certified Freight Lines, Inc., is also authorized to transport the following commodities between the points hereinafter identified:

1. Cattle and Poultry Feed, Seeds, Fertilizer (including unrefined sulphur), Insecticides, Lumber, Cement, and Building Materials in quantities of not less than 4,000 pounds per shipment from one consignor to one consignee

FROM Los Angeles, San Pedro, Wilmington, Vernon, South Gate, Huntington Park, Long Beach, Inglewood, Glendale, Pasadena, San Francisco, South San Francisco, Oakland, San Leandro, Berkeley, Emeryville, San Jose, Santa Clara and Permanente

TO Arroyo Grande and points within a three-mile radius thereof.

2.
 - a. AGRICULTURAL IMPLEMENTS, HAND, OR PARTS NAMED, as listed under that heading in Items Nos. 2710 through 3191 of Western Classification No. 76, Geo. H. Dumas, Agent, on the issue date thereof.
 - b. AGRICULTURAL IMPLEMENTS, OTHER THAN HAND, as listed under that heading in Items Nos. 3205 through 4051 of Western Classification No. 76, Geo. H. Dumas, Agent, on the issue date thereof.
 - c. AGRICULTURAL IMPLEMENT PARTS, OTHER THAN HAND, as listed under that heading in Items Nos. 4065 through 4661 of Western Classification No. 76, Geo. H. Dumas, Agent, on the issue date thereof.
 - d. BASKETS OR HAMPERS, as listed under that heading in Items Nos. 10320 through 10670 of Western Classification No. 76, Geo. H. Dumas, Agent, on the issue date thereof.
 - e. BOXES OR CRATES, INCLUDING FIBREBOARD, PAPER OR PULPBOARD, BOTTLES OR CANS, as listed under that heading in Items Nos. 13845 through 14646 of Western Classification No. 76, Geo. H. Dumas, Agent, on the issue date thereof.
 - f. FERTILIZERS, as listed under that heading in Items Nos. 535, and 550 of Pacific Southcoast Freight Bureau Exception Sheet No. 1-S, Cal.P.U.C. No. 193, J. P. Haynes, Agent, on the issue date thereof and Item No. 540A of Supplement No. 34 thereto.

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

- g. FISH, FRESH OR FROZEN, as listed under that heading in Items Nos. 38505 through 38575 of Western Classification No. 76, Geo. H. Dumas, Agent, on the issue date thereof.
- h. FOODSTUFFS, BEVERAGES OR BEVERAGE PREPARATIONS, NOT NAMED IN OTHER MORE SPECIFIC GROUPS, as listed under that heading in Items Nos. 39410 through 41150 of Western Classification No. 76, Geo. H. Dumas, Agent, on the issue date thereof.
- i. INSECTICIDES OR FUNGICIDES, AGRICULTURAL, as listed under that heading in Items Nos. 52960 through 53110 of Western Classification No. 76, Geo. H. Dumas, Agent, on the issue date thereof.
- j. MISCELLANEOUS COMMODITIES, VIZ.:
 - Flowers, fresh, cut.
 - (1) Between all points and places in the San Luis Obispo-Santa Maria Area as described in Appendix E attached hereto.
 - (2) Between all points and places in said San Luis Obispo-Santa Maria Area, on the one hand, and Los Angeles, on the other hand.
 - (3) Between all points and places in said San Luis Obispo-Santa Maria Area, Oxnard and points within a five-mile radius of Oxnard, on the one hand, and points within a five-mile radius of Salinas, and points on or within five miles laterally of the following named highways, on the other hand:
 - (a) State Highway 1 between Aptos and San Francisco, inclusive.
 - (b) U.S. Highway 101 between Salinas and the San Francisco Territory as described in Appendix C attached hereto, inclusive.

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

3. a. AGRICULTURAL IMPLEMENTS, OTHER THAN HAND, as listed under that heading in Items Nos. 595 through 980 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplements Nos. 41, 46, 48 and 50 thereto.
- b. ALUMINUM, as listed under that heading in Items Nos. 1535 through 1790 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplements Nos. 41, 46, 48 and 50 thereto.
- c. AUTOMOBILE PARTS OR ACCESSORIES, as listed under that heading in Items Nos. 2805 through 3505 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplements Nos. 41, 46, 48 and 50 thereto.
- d. FEED, ANIMAL OR POULTRY, as listed under that heading in Items Nos. 17065 through 17385 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplements Nos. 41, 46, 48 and 50 thereto.
- e. FURNITURE, as listed under that heading in Items Nos. 19510 through 20494 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplements Nos. 41, 46, 48 and 50 thereto.
- f. GROCERIES AND GROCERS' SUPPLIES, as listed under that heading in Item No. 360 of Fifth Revised Page 38 of Minimum Rate Tariff No. 2.

Issued By California Public Utilities Commission.

Decision No. 62940, Application No. 43851

- g. HARDWARE, as listed under that heading in Items Nos. 22455 through 23600 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplements Nos. 41, 46, 48 and 50 thereto.
- h. PAPER, as listed under that heading in Items Nos. 35440 through 35771 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplements Nos. 41, 46, 48 and 50 thereto.
- i. PAPER ARTICLES, as listed under that heading in Items Nos. 35785 through 36307 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplements Nos. 41, 46, 48 and 50 thereto.
- j. PETROLEUM OR PETROLEUM PRODUCTS, IN PACKAGES, INCLUDING COMPOUNDED OILS OR GREASES HAVING A PETROLEUM BASE, as listed under that heading in Items Nos. 36390 through 36465 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplements Nos. 46 and 50 thereto.
- k. SEEDS, as listed under that heading in Items Nos. 39865 through 40150 of Western Classification No. 75, Cal. P.U.C. No. 8, George H. Dumas, Agent, on the issue date thereof and Supplement No. 48 thereto.
- l. MISCELLANEOUS COMMODITIES, VIZ.:
 - Advertising displays
 - Advertising display equipment
 - Barrels, empty
 - Batteries, electric, dry cell or storage
 - Cartons, fibreboard
 - Cement
 - Coke
 - Doors, wooden
 - Earth (soil)
 - Fibreboard
 - Filters

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

Gypsum
Lamps, electric
Lime
Lumber
Manure, animal
Notions
Oil, linseed
Paint
Pallets
Paste, adhesive
Plant supports
Sodium phosphate
Stakes, iron, steel or wooden
Structural iron or steel
Tires, pneumatic
Tubes, tire
Trailers
Twine
Wheels
Windows

Between Los Angeles Metropolitan Area as described in Appendix D attached hereto, on the one hand, and Santa Maria and Betteravia, on the other hand.

4. Sugar, between

- a. Crockett, on the one hand,
Sunnyvale, Palo Alto, Redwood City and
San Jose, on the other hand.
- b. Betteravia, on the one hand, and points in
the Los Angeles Metropolitan Area, as
described in Appendix D attached hereto,
and San Jose, on the other hand.

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

C. 1. Through routes and rates may be established between any and all points described in Paragraphs A and B above.

2. Applicant may use any streets, roads or highways between the areas described for operating convenience only.

End of Appendix A

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

Certified Freight Lines, Inc., a corporation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport Fruits, fresh or green (not cold pack nor frozen), Vegetables, fresh or green (not cold pack nor frozen), including mushrooms, and empty carriers returning, as follows:

1. Between points in the San Francisco Territory as described in Appendix C attached hereto, on the one hand, and points in the Los Angeles Territory as described in Appendix F attached hereto, on the other hand. Applicant shall not transport any shipments having both points of origin and destination within the San Francisco Territory or within the Los Angeles Territory. No service is authorized to or from intermediate points except as hereinafter authorized.
2. Between points on the following named highways:
 - a. U.S. Highway 101 between Paso Robles and Thousand Oaks, inclusive, including the off-route points of Camp Roberts, Avila, Garey, Sisquoc and Los Olivos.
 - b. State Highway 41 between Paso Robles and Cambria, inclusive.
 - c. State Highway 1 between Cambria and Las Cruces, inclusive, including the off-route points of Camp San Luis Obispo, Vandenberg Air Force Base (formerly Camp Cooke), Betteravia and Casmalia.
 - d. State Highway 166 between Guadalupe and Santa Maria, inclusive.
 - e. Unnumbered county road known as Orcutt Road between Santa Maria and Orcutt, inclusive.

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

- f. State Highway 150 between Lompoc and Santa Barbara and between Carpinteria and Santa Paula, inclusive.
- g. U. S. Highway 101A between its junction with U. S. Highway 101 at El Rio and Point Mugu, inclusive, including the off-route points of Hollywood Beach and Port Hueneme.
- h. U. S. Highway 399 between Ventura and Wheeler Hot Springs, inclusive.
- i. State Highway 126 between Ventura and its junction with U. S. Highway 99 at Castaic Junction, inclusive.
- j. State Highway 118 between its junction with U. S. Highway 101 near Ventura and Santa Susana, inclusive.
- k. State Highway 23 between Fillmore and Moorpark, inclusive.
- l. Unnumbered county road known as Somis Road between Camarillo and its junction with State Highway 118 near Somis, inclusive.
- m. Through routes and rates may be established between any and all points described in subparagraphs 2a through l above.
- 3. a. Between points on U. S. Highway 101 between King City and Atascadero and unnumbered county highway between Atascadero and Santa Margarita, including Santa Margarita but excluding King City.
- b. Between points described in paragraph 3a above, on the one hand, and points on the following highways, on the other hand.
 - (1) U. S. Highways 101 and 101 Bypass between King City and San Francisco, inclusive.

Issued by California Public Utilities Commission.

Decision No. 62210, Application No. 43851.

- (2) State Highway 17 between San Jose and Richmond, inclusive, including the off-route point of Alameda.
 - (3) State Highway 9 between Sunnyvale and Hayward, inclusive.
 - (4) U. S. Highway 50 between San Francisco and Hayward, inclusive.
 - (5) U. S. Highway 40 between San Francisco and Richmond, inclusive.
4. FROM all points and places in the San Luis Obispo-Summerland Territory as described in Appendix G attached hereto
TO Los Angeles, San Pedro, Wilmington, Vernon, South Gate, Huntington Park, Long Beach, Inglewood, Glendale, Pasadena, San Jose, San Francisco, South San Francisco, Oakland, San Leandro, Berkeley and Emeryville.
5. a. Between all points and places in the San Luis Obispo-Santa Maria Area as described in Appendix E attached hereto.
- b. Between points in the said San Luis Obispo-Santa Maria Area, on the one hand, and Los Angeles, Oxnard and points within a five-mile radius of Oxnard, on the other hand.
- c. Between points in the said San Luis Obispo-Santa Maria Area, Oxnard and points within a five-mile radius of Oxnard, on the one hand, and the following points, on the other hand.

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

- (1) All points and places in the San Francisco Territory as described in Appendix C attached hereto.
- (2) Salinas and points within a five-mile radius of Salinas.
- (3) Points on or within five miles laterally of the following named highways:
 - (a) State Highway 1 between Castroville and San Francisco, inclusive.
 - (b) U. S. Highway 101 between Salinas and San Jose, inclusive.
 - (c) Unnumbered county highway known as Watsonville Highway between Salinas and Castroville, inclusive.
- d. Applicant shall not establish through routes and joint rates, charges and classifications as to the separate authorities hereinabove set forth in paragraphs 5a, b and c.
6. Between points in the Los Angeles Metropolitan Area as described in Appendix D, on the one hand, and Santa Maria, Betteravia, Port Hueneme and points on U. S. Highway 101 between Oxnard and Ventura, inclusive, on the other hand.
7. Applicant may use any and all streets, roads or highways between the areas described in paragraphs 1 through 6 above for operating convenience only.

End of Appendix B

Issued by California Public Utilities Commission.

Decision No. 62940, Application No. 43851.

SAN FRANCISCO TERRITORY includes all the City of San Jose and that area embraced by the following boundary: Beginning at the point the San Francisco-San Mateo County boundary line meets the Pacific Ocean; thence easterly along said boundary line to a point 1 mile west of U. S. Highway 101; southerly along an imaginary line 1 mile west of and paralleling U. S. Highway 101 to its intersection with Southern Pacific Company right of way at Arastradero Road; southeasterly along the Southern Pacific Company right of way to Pollard Road, including industries served by the Southern Pacific Company spur line extending approximately 2 miles southwest from Simla to Permanente; easterly along Pollard Road to W. Parr Avenue; easterly along W. Parr Avenue to Capri Drive; southerly along Capri Drive to E. Parr Avenue; easterly along E. Parr Avenue to the Southern Pacific Company right of way; southerly along the Southern Pacific Company right of way to the Campbell-Los Gatos city limits; easterly along said limits and the prolongation thereof to the San Jose-Los Gatos Road; northeasterly along San Jose-Los Gatos Road to Foxworthy Avenue; easterly along Foxworthy Avenue to Almaden Road; southerly along Almaden Road to Hillsdale Avenue; easterly along Hillsdale Avenue to U. S. Highway 101; northwesterly along U. S. Highway 101 to Tully Road; northeasterly along Tully Road to White Road; northwesterly along White Road to McKee Road; southwesterly along McKee Road to Capitol Avenue; northwesterly along Capitol Avenue to State Highway 17 (Oakland Road); northerly along State Highway 17 to Warm Springs; northerly along the unnumbered highway via Mission San Jose and Niles to Hayward; northerly along Foothill Boulevard to Seminary Avenue; easterly along Seminary Avenue to Mountain Boulevard; northerly along Mountain Boulevard and Moraga Avenue to Estates Drive; westerly along Estates Drive, Harbord Drive and Broadway Terrace to College Avenue; northerly along College Avenue to Dwight Way; easterly along Dwight Way to the Berkeley-Oakland boundary line; northerly along said boundary line to the campus boundary of the University of California; northerly and westerly along the campus boundary of the University of California to Euclid Avenue; northerly along Euclid Avenue to Marin Avenue; westerly along Marin Avenue to Arlington Avenue; northerly along Arlington Avenue to U. S. Highway 40 (San Pablo Avenue); northerly along U. S. Highway 40 to and including the City of Richmond; southwesterly along the highway extending from the City of Richmond to Point Richmond; southerly along an imaginary line from Point Richmond to the San Francisco Waterfront at the foot of Market Street; westerly along said waterfront and shore line to the Pacific Ocean; southerly along the shore line of the Pacific Ocean to point of beginning.

LOS ANGELES METROPOLITAN AREA includes the area embraced by the following boundary; Beginning at the intersection of Sunset Boulevard and U. S. Highway 101, Alternate; thence northeasterly on Sunset Boulevard to State Highway 7; northerly along State Highway 7 to State Highway 118; northeasterly along State Highway 118 through and including the City of San Fernando; continuing northeasterly and southeasterly along State Highway 118 to and including the City of Pasadena; easterly along Foothill Boulevard from the intersection of Foothill Boulevard and Michillinda Avenue to Valencia Way; northerly on Valencia Way to Hillcrest Boulevard; easterly and northeasterly along Hillcrest Boulevard to Grand Avenue; easterly and southerly along Grand Avenue to Greystone Avenue; easterly on Greystone Avenue to Oak Park Lane; easterly on Oak Park Lane and the prolongation thereof to the west side of the Sawpit Wash; southerly along the Sawpit Wash to the north side of the Pacific Electric Railway right of way; easterly along the north side of the Pacific Electric Railway right of way to Buena Vista Street; southerly on Buena Vista Street to U. S. Highway 66; easterly on U. S. Highway 66 to its junction with U. S. Highway 71; southerly on U. S. Highway 71 to its junction with State Highway 18; southwesterly on State Highway 18 to its junction with State Highway 55 at Fullerton; southerly and southwesterly on State Highway 55 and its prolongation to the Pacific Ocean at Newport Beach; northwesterly along the shore line of the Pacific Ocean to a point directly south of the intersection of Sunset Boulevard and U. S. Highway 101, Alternate; thence northerly along an imaginary line to point of beginning.

APPENDIX E TO DECISION NO. 62940

SAN LUIS OBISPO-SANTA MARIA AREA means San Luis Obispo, Santa Maria, points within 10 miles of each of these cities, points on or within 10 miles laterally of U.S. Highway 101 between these cities, Guadalupe, Morro Bay, points within 5 miles of Guadalupe, and points on or within 5 miles laterally of State Highway No. 1 between Guadalupe and Morro Bay.

LOS ANGELES TERRITORY includes that area embraced by the following boundary: Beginning at the intersection of Sunset Boulevard and U.S. Highway No. 101, Alternate; thence northeasterly on Sunset Boulevard to State Highway No. 7; northerly along State Highway No. 7 to State Highway No. 118; northeasterly along State Highway No. 118 through and including the City of San Fernando; continuing northeasterly and southeasterly along State Highway No. 118 to and including the City of Pasadena; easterly along Foothill Boulevard from the intersection of Foothill Boulevard and Michillinda Avenue to Valencia Way; northerly on Valencia Way to Hillcrest Boulevard; easterly and northeasterly along Hillcrest Boulevard to Grand Avenue; easterly and southerly along Grand Avenue to Greystone Avenue; easterly on Greystone Avenue to Oak Park Lane; easterly on Oak Park Lane and the prolongation thereof to the west side of the Sawpit Wash; southerly along the Sawpit Wash to the north side of the Pacific Electric Railway right of way; easterly along the north side of the Pacific Electric Railway right of way to Buena Vista Street; south and southerly on Buena Vista Street to its intersection with Meridian Street; due south along an imaginary line to the west bank of the San Gabriel River; southerly along the west bank of the San Gabriel River to Beverly Boulevard; southeasterly on Beverly Boulevard to Painter Avenue in the City of Whittier; southerly on Painter Avenue to Telegraph Road; westerly on Telegraph Road to the west bank of the San Gabriel River; southerly along the west bank of the San Gabriel River to Imperial Highway; westerly on Imperial Highway to State Highway No. 19; southerly along State Highway No. 19 to its intersection with U. S. Highway No. 101, Alternate, at Ximeno Street; southerly along Ximeno Street and its prolongation to the Pacific Ocean; westerly and northerly along the shore line of the Pacific Ocean to a point directly south of the intersection of Sunset Boulevard and U.S. Highway No. 101, Alternate; thence northerly along an imaginary line to point of beginning.

SAN LUIS OBISPO-SUMMERLAND TERRITORY means all points and places on the following named highways or within the following described area:

1. State Highway 1 between Morro Bay and San Luis Obispo, inclusive.
2. U.S. Highway 101 between San Luis Obispo and Summerland, inclusive.
3. The area lying ten miles easterly of U.S. Highway 101 and, on the opposite side, between said highway and the Pacific Ocean between San Luis Obispo and Summerland.