

ORIGINAL

Decision No. 75388

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
AZTEC TRANSPORTATION CO., INC., a
corporation, doing business as Aztec
Air Freight, for a certificate of
public convenience and necessity as
a freight forwarder of general com-
modities between points in the
State of California.)

Application No. 50793
Filed December 30, 1968

O P I N I O N

Aztec Transportation Co., Inc. (applicant), requests a certificate of public convenience and necessity pursuant to Section 1010 of the Public Utilities Code to conduct business as a freight forwarder of general commodities.

Applicant is presently operating both as a permitted carrier under the Public Utilities Code, and as a highway common carrier pursuant to certificates of public convenience and necessity issued by the Public Utilities Commission of the State of California, as follows:

Permitted Authority

Radial Highway Common Carrier, Permit No. 37-4660

Highway Contract Carrier, Permit No. 37-2961

Highway Common Carrier Authority

Certificates of public convenience and necessity,
Decision No. 62488, in Application No. 43325, and
Decision No. 67654, in Application No. 46676.

Applicant also operates as an interstate common carrier under and pursuant to certificate of registration issued by the Interstate Commerce Commission in Docket No. 120575 and Sub. Nos. 1 and 2 thereunder.

Said operations have been conducted by applicant and its predecessor in interest since the issuance of permits in 1958.

Applicant requests, pursuant to Sections 220 and 1010 of the Public Utilities Code of the State of California, a certificate of public convenience and necessity as an air freight forwarder, authorizing it to undertake the collection and shipment of general commodities and, as consignor or otherwise, to ship or otherwise arrange to ship, property of others via air freight carriers at the tariff rates of such carriers between certain origin points and destination points in the State of California, as set forth in Appendix A, attached hereto.

As an air freight forwarder applicant does not operate any aircraft directly and is limited to the use of aircraft operated by direct air carriers. Applicant will avail itself of the most convenient and expeditious schedules available to it to serve the shipping needs of its customers under the authority which it here seeks.

Applicant proposes to handle freight at all points within the State of California served by aircraft, utilizing the air freight services offered by the airlines serving such points, and utilizing surface pickup and delivery for transportation of the shipper's commodities between origin and the airport and the airport and destination.

Applicant's balance sheet, dated October 31, 1968, shows total assets of \$1,023,929 and total current liabilities of \$56,446. Applicant's profit and loss statement, for the ten months ending October 31, 1968, shows a net operating income of \$11,472.

Applicant will operate at rates competitive with Emery Freight Corporation, on file as Air Freight Tariff No. 2, Cal. PUC No. 2.

In order to provide the service, applicant has a fleet of 25 pieces of equipment of all types, varying from 1949 to 1968 models, including vans and panel trucks. It has terminal facilities at San Diego and Los Angeles (Montebello), and will add terminals and agents as required.

Applicant's proposed authority includes a request to utilize the service of highway common carriers or passenger stage corporations as the underlying carrier, in emergencies only, to provide the transportation between airports which would ordinarily be provided by an air carrier. This is necessitated by the fact that occasionally an airport or airports may be closed due to weather conditions, such as fog, rain or snow, or some other conditions beyond applicant's control. These situations would generally arise on very short notice, and often when applicant would still be in possession of the subject shipment. In these circumstances, applicant desires to be able to serve the public and provide for the movement of the shipment by engaging the service of a highway common carrier or a passenger stage corporation.

Applicant alleges that public convenience and necessity requires that it be granted a certificate of public convenience and necessity to provide service as a freight forwarder between points and places as set forth in Appendix A for the following reasons:

1. The movement of air freight cargo on an intrastate basis is required from time to time as a necessary incident to adequately serve applicant's regular customers who ship intrastate.

2. The granting of the Authority would enable applicant to serve the shipping public more efficiently, by providing specialized door-to-door service, expediting ground handling of air freight shipments, detailed relaying of information, and simplified accounting for shippers.

3. In providing service as an air freight forwarder, applicant will pick up, or caused to be picked up, commodities at the shippers' origins located throughout the State of California; after consolidation, applicant will transport, or arrange for transportation of such consolidated shipments by motor vehicle to airports in the State of California where the property will be transported by air carrier to other California airports, where the property, in turn, will be picked up by motor vehicle, and after segregation will be delivered to the consignees.

4. In the conduct of the proposed operations, applicant would utilize highway common carriers, air carriers, passenger stage corporations, and permitted carriers, as well as its own equipment, all as may be appropriate.

5. Applicant, in performing the proposed service, will assume responsibility for the through transportation of the property from the origin to destination, pursuant to tariff rates, rules and charges filed with this Commission.

6. Applicant's proposed service would be performed on an "on-call" basis and is limited or restricted by the operating schedules of carriers operating under authorization of the Civil Aeronautics Board or this Commission.

Applicant alleges that copies of the application were mailed, all to known competitive companies, on December 27, 1968. The application was listed on the Commission's Daily Calendar of January 6, 1969. No protests have been received by this Commission.

Based on the verified application herein, the Commission finds that:

1. Applicant is presently operating as a permitted carrier and as a highway common carrier pursuant to authority from this Commission and it also operates as an interstate common carrier pursuant to a certificate of registration issued by the Interstate Commerce Commission.

2. Applicant has the experience and has sufficient finances and equipment with which to institute and maintain the proposed service.

3. Public convenience and necessity require that the application be granted as requested.

The Commission concludes that the application should be granted as set forth in the ensuing order.

A public hearing is not necessary.

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, these rights extend to the holder a full or partial monopoly of a class of business. 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

IT IS ORDERED that:

1. A certificate of public convenience and necessity is hereby granted to Aztec Transportation Co., Inc., authorizing it to operate as a freight forwarder, as defined in Section 220 of the Public Utilities Code, for the transportation of general commodities between the points and subject to the conditions set forth in Appendix A attached hereto and made a part hereof.
2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following

service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to file annual reports of its operations.
- (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs, in triplicate, in the Commission's office.
- (c) The tariff filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the establishment of the service herein authorized.
- (d) 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. 117.

- (e) Applicant shall maintain its accounting records in such a manner as to properly show revenues applicable to its California intrastate operations, and the basis or bases for investment and operating costs charged or applicable to California intrastate operations.

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

Dated at San Francisco, California, this 4th
day of MARCH, 1969.

William J. Quinn
resident
Augustine
John R. Monahan
John R. Monahan
Commissioners

Aztec Transportation Co., Inc., a corporation, doing business as Aztec Air Freight, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate as a freight forwarder as defined in Section 220 of the Public Utilities Code, via the lines of air common carriers, highway common carriers, and passenger stage corporations, subject to the following conditions:

1. Applicant shall not arrange to ship any property unless such property shall have transportation by aircraft originating at one of the following named airports:

Long Beach Municipal Airport
Los Angeles International Airport
Lockheed Air Terminal, Inc., (Burbank)
Oakland International Airport
Orange County Airport
Sacramento Municipal Airport
San Diego International Airport
San Francisco International Airport and
San Jose Municipal Airport,

on the one hand, and terminate at the following points served by air common carriers, on the other hand:

Apple Valley	Crescent City
Arcata	El Centro
Bakersfield	Eureka
Blythe	Fresno
Burbank	Indio
Chico	Inyokern

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Laguna Beach
Lake Tahoe
Lancaster
Long Beach
Los Angeles
Marysville
Merced
Modesto
Monterey
Oakland
Ontario
Oxnard
Palmdale
Palm Springs
Paso Robles
Red Bluff
Redding

Riverside
Sacramento
Salinas
San Bernardino
San Diego
San Francisco
San Jose
San Luis Obispo
Santa Ana
Santa Barbara
Santa Maria
Santa Rosa
Stockton
Ventura
Visalia
Yuba City

2. In emergencies only, highway common carriers or passenger stage corporations may be used as underlying carriers to provide transportation between the airports specified in paragraph 1 hereof.

3. Except as provided in Condition 2, the authority to ship via the lines of highway common carriers and passenger stage corporations is limited to pickup service within a 25-mile radius of the above-named origin points and delivery service within a 25-mile radius of the airports serving the above-named destination points.

(End of Appendix A)

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