

ORIGINAL

Decision No. 78463

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of LOS ANGELES CITY EXPRESS, INC., a California corporation, for a certificate of public convenience and necessity, authorizing removal of a certain restriction under its present certificate, and extension of its present authority and issuance of an in lieu certificate.

Application No. 52064
(Filed July 22, 1970)

- Alvin H. Weissman, Attorney at Law, for Los Angeles City Express, Inc., applicant.
- Donald Murchison, Attorney at Law, for Reliable Delivery Service and for Joseph N. LeBow, doing business as Desert Empire Express, interested parties.
- Carl A. Fritze, Attorney at Law, for City Transfer, Inc., Desert Express and Kern Valley Trucking, interested parties.
- Arthur H. Glanz, Attorney at Law, for Victorville-Barstow Truck Line, interested party.

O P I N I O N

This application was heard before Examiner C. S. Abernathy at Los Angeles on November 9, 1970, on which date it was submitted. Copies of the application were served in accordance with the Commission's procedural rules. There are no protests.

Los Angeles City Express, Inc., is a highway common carrier engaged in the transportation of general commodities within the Los Angeles Basin Territory and eastward to Twentynine Palms and Mecca. It seeks enlargement of its operating authority to

permit service "between the Los Angeles Basin Territory, on the one hand, and, on the other hand, all points and places located on and along and within ten miles laterally of the following route:

State Highway 14 between San Fernando and Solamint, inclusive, including the off route points of Newhall, Valencia and Saugus, restricted against (1) service providing protection of commodities against heat or cold by use of refrigeration or temperature control; (2) service to any point northerly of Solamint." ^{1/}

Applicant states that the service which is proposed will be provided on call, but will be conducted daily (except Sundays and holidays) between one or more of the points sought to be served. Saturday deliveries will be made to all destination points as business requires. The rates which will be assessed will conform, in level, to rates in tariffs on file with the Commission for applicant's present highway common carrier services.

Applicant asks that its present operating authority be restated in the form of an in-lieu certificate to include the authority which is sought herein.

According to evidence which was presented by applicant's president, applicant has been serving the area in question for a number of years, mainly as a contract carrier. During this time the population of the area has grown substantially. Census data show that in the past ten years the population has tripled.

^{1/} In its application Los Angeles City Express, Inc., requested other extensions of its operating authority also. At the hearing it limited its requests to that shown above.

Commercial activity in the area has increased. Shippers whom applicant serves in the Los Angeles Basin Territory have established branches in the proposed service area, and have asked that applicant extend its highway common carrier services to serve said branches. Applicant has surveyed the business potential of the area and has concluded that the area is lacking in adequate highway common carrier service from the Los Angeles Basin Territory. Extension of applicant's operations as proposed would not only provide additional highway common carrier service for the area but would enable applicant to serve the area more efficiently.

It appears that applicant possesses the experience, equipment, personnel and financial resources to institute and maintain the proposed service.

Upon consideration of the evidence the Commission finds that public convenience and necessity require the extension of applicant's highway common carrier service as proposed. The extension should be authorized. The authority hereinafter granted will conform in effect to that sought but will reflect applicable route and territorial descriptions. Restatement of applicant's operative authority in the form of an in-lieu certificate 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, 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.

ORDER

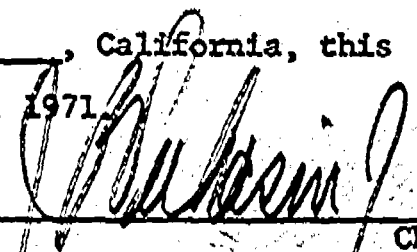
IT IS ORDERED that:

1. Appendix A of Decision No. 60972 in Application No. 42520 is hereby amended by substituting Third Revised Page 1 attached hereto and by reference made a part hereof in place of Second Revised Page 1.

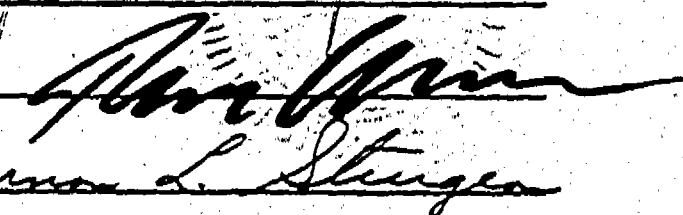
2. Within sixty days after the effective date hereof and on not less than ten days' notice to the Commission and to the public applicant shall amend its tariffs presently on file with this Commission to reflect the authority herein granted.

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

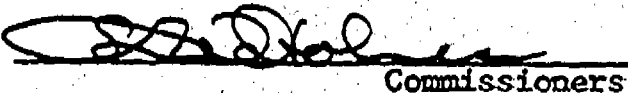
Dated at San Francisco, California, this
23rd day of MARCH, 1971



Chairman



Vernon L. Sturgeon



Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Los Angeles City Express, 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:

1. BETWEEN all points and places within the Los Angeles Basin Territory as described in Appendix B attached hereto.
2. BETWEEN the Los Angeles Basin Territory, on the one hand, and, on the other hand, all points and places located on and along and within ten miles laterally of the following routes:
 - a. U.S. Highway 99 between Redlands and Coachella, inclusive.
 - b. U.S. Highway 60 between Riverside and Beaumont, inclusive.
 - c. State Highway 111 between the junction with U.S. Highway 99 near Whitewater and Mecca, inclusive.
 - d. Unnumbered highway known as Twentynine Palms Highway between the junction with U.S. Highway 99 near Whitewater and Twentynine Palms, inclusive.
- *3. BETWEEN Los Angeles Basin Territory, on the one hand, and, on the other hand, all points and places located on and along the route from said territory via Interstate Highway 5 and State Highway 14 to and including Solamint, and all points and places located within ten miles laterally of said route with the exception of those points and places northerly of Solamint.

Restriction: Does not apply to transportation of commodities provided protection against heat or cold by use of refrigeration or temperature control.

Issued by California Public Utilities Commission.

*Amended by Decision No. 78463, Application No. 52064.