Decision No. 84146

ORIGINAL.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of 20TH CENTURY TRUCKING COMPANY, a corporation, for a certificate of public convenience and necessity authorizing extension of presently certificated service as a highway common carrier of general commodities to include service between various additional points and places in Southern California.

Application No. 53450 (Filed July 11, 1972; amended January 18, 1973) and August 1, 1973)

Franklin L. Knox, Jr., Attorney at Law, for 20th
Century Trucking Company, applicant.
Russell & Schureman, by Carl H. Fritze, Attorney at
Law, for Victorville-Barstow Truck Line, Reliable
Delivery Service, Inc., Los Angeles City Express,
and Western Gillette, Inc., protestants.
T. A. Boyd, Jr., for the Commission staff.

OPINION

Applicant now holds a certificate of public convenience and necessity for the transportation of general commodities in the Los Angeles Basin area between and within the San Diego Territory and between the Los Angeles Basin area and Santa Barbara.

Applicant requests a certificate of public convenience and necessity pursuant to Section 1061 et seq. of the Public Utilities Code to operate as a highway common carrier in intrastate and interstate commerce in the transportation of general commodities (except livestock, fresh fruits and vegetables, property transported by dump truck, household goods, and property transported in tank trucks and tank trailers) to an area generally described as the Desert Area.

^{1/} Pursuant to Section 206(a)(6) of the Interstate Commerce Act.

This includes Palmdale, Lancaster, and points within a 10-mile lateral service area along Route 14 which would take in the communities of Saugus, Valencia, Newhall, Solemint, Acton, Littlerock, Pearland, and Pearblossom. The original application was amended on January 18, 1973. On October 24, 1972 the Commission received notice of publication in the Federal Register. Prehearing conference was held on Monday, October 23, 1973 in Los Angeles before Examiner Gilman. On June 15, 1973 the examiner on his own motion ruled that it could be seen with reasonable certainty that the project involved in this proceeding would have no significant effect on the environment. The matter was again amended on August 1, 1973. Hearings were held before the same examiner on January 30, 31, February 1, and August 6, 1974. After an extension at the request of applicant, briefs were filed October 18, 1974 and the matter was taken under submission.

Applicant claims that the territory now in question is likely to generate substantial residential growth in the near future and that accompanying this growth will be an increase in the amount of highway transportation needed in the area. Special emphasis is placed on the possibility that a Palmdale International Airport will be built. It claims that its services are superlative and especially designed to meet the needs of shippers who ship in small quantities. It has designed its operations and facilities to serve shipments larger than the maximum carried by United Parcel Service (50 pounds) but in most cases no larger than 300 to 500 pounds. It sponsored the testimony of numerous shippers, all of whom claimed to need the services of applicant and to be dissatisfied with the competitive services of existing carriers who serve the territory in question.

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Applicant has its main terminal at West 5th Street in Los Angeles, which includes a dock area of about 21,000 square feet, plus office, dispatch shop and maintenance areas, and a rail siding. Of special interest is a conveyer system installed in the terminal to take care of interchange of small packages between trucks. Applicant also has two subterminals; one in San Diego, and one in Ventura. It employs approximately 80 full-time and 40 part-time drivers.

Protestants Reliable Delivery Service, Inc. and Victorville-Barstow Truck Line claim that their service into the territory is adequate and that the total amount of traffic available for common carriers is not growing, but is indeed, shrinking. They also point out the fact that the traffic into the so-called Desert Area is, for all practical purposes, one way, in that the traffic originating there is less than one percent of the traffic destined to that area. They claim that their existing operations are conducted on a precarious basis and that any further diversion of freight can only mean higher costs or poorer service for consumers. Protestants also claim that, since applicant has concededly been running a regularly scheduled operation into the Desert Area under cover of its radial highway common carrier permit, it is unfit to hold a certificate. Finally, protestants claim that 20th Century has not the financial ability to conduct the proposed operation.

Discussion

The record shows that for a recent 18-month period a total of 2,038 shipments and a total weight of 397,316 pounds moved to the proposed service area, and a total of 9 shipments and 964 pounds coming from the Desert Area. The shippers who testified accounted for about half of the total weight. For these shippers applicant would have averaged less than 2 shipments per day with an average total weight per day of about 309 pounds. While there is no direct

evidence of the total amount of revenue generated, our expertise leads us to find that this amount, weight, and number of shipments will not support the full cost of twice- or thrice-weekly round trips. The evidence reveals no reason to infer that this amount of traffic will grow substantially if a certificate were granted. Findings

- 1. The service of existing carriers is not below minimum standards.
- 2. The amount, weight, and number of shipments expected to be carried by applicant will not support the full cost of regular twice-or thrice-weekly round trips.
- 3. Public convenience and necessity do not require the certification of applicant.

We conclude that the application should be denied.

ORDER

IT IS ORDERED that this application is denied.

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

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	Dated at	San Francisco	, California, this
day of _	MARCH ·	, 1975.	
			Henry Lucy - President
			William Finesia to
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Commissioners