

Decision No. 89681 NOV 28 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of U. S. COURIER CORPORATION, a)
corporation, for an extension of)
its certificate of public conven-)
ience and necessity as an air)
freight forwarder of general com-)
modities between the San Jose)
Airport and points in the State)
of California)

Application No. 58168
(Filed June 22, 1978)
(Amended October 20, 1978)

OPINION AND ORDER

U. S. Courier Corporation, a corporation, operates as a freight forwarder between various points in California. By this application, as amended, it seeks to amend its freight forwarder authority¹ by adding service to and/or from the San Jose, Fresno and Redding Airports.

Applicant states that it is presently providing a courier service within California including the San Jose, Fresno and Redding areas under its permitted authorities. Granting the authority requested would enable applicant to provide specialized door-to-door service, expedite ground handling of air freight shipments, and simplify accounting for shippers from the aforementioned airports.

Financial statements attached to the application show that applicant has the financial ability to inaugurate and provide the proposed service.

Copies of the application and amendment were mailed to various interested parties on June 21 and October 6, 1978, respectively. The application was listed on the Commission's Daily Calendars on June 27 and the amendment on October 23, 1978. No objection to the granting of the application has been received.

¹The authority is set forth in Appendix A of Decision 88480 in Application 56106, dated February 7, 1978.

In the circumstances, the Commission finds that:

1. Applicant has the experience and financial ability required to institute and maintain the proposed service.
2. Public convenience and necessity require the operation by applicant of the proposed service.
3. It can be seen with certainty that there is no possibility that the proposed activity will have a significant effect on the environment.
4. A public hearing is not necessary.

The order which follows will provide for revocation of the present certificate held by U. S. Courier Corporation and the issuance of a new certificate covering the service for which authorization is sought.

The Commission concludes that the application should be granted.

U. S. Courier Corporation is 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. This monopoly feature may be modified or cancelled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to U. S. Courier Corporation, a corporation, authorizing it to operate as a freight forwarder as defined in Section 220 of the Public Utilities Code as more particularly set forth in Appendix A of this decision.
2. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the certificate of public convenience and necessity granted by Decision 28480, which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3(b).

3. In providing service pursuant to the authority granted by this order, applicant shall comply with and observe the following regulations. Failure to do so may result in a cancellation of the authority.

- (a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted.
- (b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service and file tariffs, in triplicate, in the Commission's office.
- (c) The tariff filings shall be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the establishment of the authorized service.
- (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 117-Series.
- (e) Applicant shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.
- (f) Applicant shall comply with the requirements of the Commission's General Order 84-Series for the transportation of collect on delivery shipments. If applicant elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings required by the General Order.
- (g) Applicant shall comply with the requirements of the Commission's General Order 100-Series and the safety rules administered by the California Highway Patrol if applicant intends to operate a motor vehicle under this authority.

(h) U. S. Courier Corporation is authorized to depart from the provisions of Section 461.5 of the Public Utilities Code in establishing and maintaining the rates authorized herein. Schedules containing the rate published under this authority shall make reference to this order.

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

Dated at San Francisco, California, this 28th day of NOVEMBER, 1978.

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

Robert Bateman
President

William Symons, Jr.

Richard P. Gwathmey

Clare T. DeLoach
Commissioners

U. S. Courier Corporation, 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 ship or arrange to ship any property unless such property shall have transportation by aircraft originating at one of the following airports:

Lockheed Air Terminal (Burbank)
 Los Angeles International Airport
 San Francisco International Airport
 Oakland Airport
 Sacramento Metropolitan Airport
 San Diego International Airport
 San Jose Municipal Airport
 Fresno Air Terminal
 Redding Municipal Airport

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

Arcata	Los Angeles	Salinas
Bakersfield	Marysville	San Bernardino
Blythe	Merced	San Diego
Burbank	Modesto	San Francisco
Chico	Monterey	San Jose
Crescent City	Oakland	San Luis Obispo
El Centro	Ontario	Santa Ana
Eureka	Oxnard	Santa Barbara
Fresno	Palmdale	Santa Maria
Indio	Palm Springs	Santa Rosa
Laguna Beach	Paso Robles	Stockton
Lake Tahoe Airport	Redding	Ventura
Lancaster	Riverside	Visalia
Long Beach	Sacramento	Yuba City

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2. The underlying carrier used by U. S. Courier Corporation between airports shall be an air common carrier, except that in emergencies only, such as an airport being closed because of inclement weather, highway common carriers or passenger stage corporations may be used as underlying carriers to provide the transportation.

3. No collection or distribution service shall be provided by U. S. Courier Corporation to or from any point more than 25 statute miles distant from any airport served by it unless said service beyond said 25 statute miles is performed by a highway common carrier. As used herein "point" means any point within 25 statute miles of the city limits of any city in which is located an airport, or 25 statute miles of any airport located in an unincorporated area.

4. U. S. Courier Corporation shall establish door-to-door rates for service between airports, including points within 25 miles thereof as defined in Paragraph 3 herein. On traffic moving to or from points beyond said 25-mile radius U. S. Courier Corporation shall, in addition to said door-to-door rates, assess the lawful tariff rates of any highway common carrier utilized to perform said beyond service.

5. U. S. Courier Corporation shall not forward any shipments containing commodities prohibited by law from transportation by aircraft.

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

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