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Decision No. 12308

ORDER

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of)
 FRANK DAVIES for a certificate of)
 public convenience and necessity to)
 operate heavy freight trucking ser-)
 vice at reduced rates in conjunction)
 with applicant's present passenger,)
 express, mail and light freight ser-)
 vice between Nevada City, California,)
 and Alleghany and Forest, California.)
 Application No. 9117

BY THE COMMISSION,

ORDER

In this proceeding Frank Davies, doing business under the fictitious name of Citizens Auto Stage Company, has made application to the Railroad Commission for an order authorizing him to establish a new summer service between Nevada City, Alleghany and Forest over the same route for which he now holds a certificate of public convenience and necessity authorizing the operation of automobile passenger and freight stage service. In support of his petition applicant states that during the summer months he is forced to compete with unauthorized carriers who do considerable heavy hauling between Nevada City, Alleghany and Forest charging rates lower than the published schedule of applicant; that applicant proposes to compete with this competition through the establishment of a new schedule of rates in addition to and not in lieu of his existing schedule for freight service during the summer season. The schedule proposed provides a rate of 1½ cents per pound from 76 to 100 pounds and 1 cent per pound over 100 pounds between Nevada City, Alleghany and Forest.

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This additional schedule, if established, would conflict with the existing summer schedule of applicant which he still desires to maintain in effect to intermediate points in that the rate for shipments over 100 pounds would be 1 cent per pound from Nevada City to Alleghany or Forest, while the rate to Red Ledge, a point less distant from Nevada City would be 2 cents per pound, the rate to Foote Crossing $1\frac{1}{2}$ cents per pound, the rate to Columbia Hill $1\frac{1}{2}$ cents per pound and the rate to Tyler 1-1/10 cents per pound. In other words, if the present application were granted it would in effect be establishing a lower rate to a more distant point over the same route than the rate charged to intermediate points, a violation of the provisions of Section 21 of Article 12 of the Constitution prohibiting a lesser charge to a more distant point than the charge to an intermediate point over the same route in the same direction. Accordingly, the present application must be denied.

It is our suggestion that if applicant desires to meet summer competition through the establishment of rates as proposed in the present proceeding the same scale should be graduated to include intermediate points using as a basis the rate now proposed between Nevada City, Alleghany and Forest, and such schedule filed in lieu of his existing freight rate during the months of May 1st to November 1st of each year. No formal application would be required for the filing of such a revised schedule.

IT IS HEREBY ORDERED that the above entitled application be, and the same hereby is denied.

Dated at San Francisco, California, this 3rd day of July, 1923.

C. Seaver

H. B. ...

Egerton Shore

J. P. Whittney

Commissioners