Decision No. 18728

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) BAILEY'S PALOMAR MOUNTAIN STAGE AND) TRUCK LINE for an order increasing freight rates.

Application No. 13969.

CRIGINAL

BY THE COMMISSION:

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This is an application filed by Milton Bailey, an individual operating an auto stage and truck line for the transportation of freight and passengers between San Diego and Palomar Mountain points under the fictifious name of Bailey's Falomar Mountain Stage and Truck Line, seeking authority to establish and maintain for the transportation of property a first-class rate of \$1.50 per 100 pounds and a second-class rate of \$1.00 per 100 pounds. Applicant intends to assess the first-class rate on perishable commodities and bulky freight and the second-class rate on other commodities, except that household goods not crated and other merchandise unusually bulky weighing less than 10 pounds per cubic foot will be assessed double the first-class rate.

It is set forth in the petition that the present rates are insufficient to pay the actual out-of-pocket cost of operation.

Applicant's operative rights granted in Application No. 11443, Decision No. 16736, extend from San Diego to Palomar

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Postoffice via El Cajon, Ramona, Santa Yaabal and Morettis, subject to certain restrictions as to local service. The operations are conducted on a weekly schedule during the season extending from May 15th to September 15th of each year, the service being rendered primarily to serve the resort sections in the Palomar Mountain region.

The present rate on freight between San Diego and Palomar Mountain points is 90 cents per 100 pounds, minimum oharge 50 cents, and applies on all commodities regardless of classification.

According to applicant's annual report for 1926 the total operating revenue received from all operations was \$1,211.02 and the operating expenses were \$2,012.14, resulting in an operating loss of \$801.12. During this period the operating expenses did not include any compensation for salaries, and only \$51 was charged for depreciation on equipment costing \$2,550.

Under the proposed rates it is estimated that the monthly increase in revenue will be approximately \$82, or for the seasonal operation of four months an increase of about \$328.

Accompanying the application was a petition signed by approximately 75 per cent. of the shippers utilizing applicant's present service, in which they have approved the rate proposed.

Under the circumstances we are of the opinion that this is a matter that does not require a formal hearing, that applicant should be authorized to establish the proposed rates for the transportation of freight as set forth in the petition, and that the application should be granted.

<u>order</u>

This application having been submitted, full investigation of the matters and things involved having been had, and basing this order on the findings of fact and the conclusions

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contained in the opinion which precedes this order, which said opinion is hereby referred to and made a part hereof,

IT IS HEREBY ORDERED that applicant, Milton Bailey, an individual operating an auto stage and truck line under the fictiticus name of Bailey's Palomar Mountain Stage and Truck Line, be and he is hereby authorized to publish and file on ten (10) days' notice to the Commission and to the public the rates for the transportation of freight between San Diego and Palomar Mountain points as specifically set forth in the application.

Dated at San Francisco, California, this 144 day

Commissioners.