

Decision No. 13085.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
LOS-ANGELES NEWPORT FREIGHT LINE,
G. I. REIS, Owner, by LEWIS A. MONROE,
Agent, for an order granting permis-
sion to establish new tariff result-
ing in both increases and reductions
in rates between Los Angeles, Hunt-
ington Beach, Laguna Beach and inter-
mediate points.

ORIGINAL

Application No. 13782.

J. W. Cawley and Lewis A. Monroe, for applicant.

BY THE COMMISSION:

O P I N I O N

This is an application filed by Lewis A. Monroe, as agent for G. I. Reis, owner of an automobile truck line operated under the fictitious name of Los Angeles-Newport Freight Line, with its principal office at Los Angeles, seeking permission under the provisions of Chapter 213, Statutes of 1917, to readjust certain class rates and minimum charge for the transportation of freight as set out in Exhibit "A" attached to and made a part of the application. The proposed changes will result in increases and reductions.

It is stated in the petition that the present rates are unjust and unreasonably low and the adjustment sought is necessary for the reason that the revenue derived from freight transported at the present rates is insufficient to pay the total operating expenses.

A public hearing was held before Examiner Geary at Los Angeles October 19, 1927, and the application having been

duly submitted is now ready for our opinion and order.

In Decision No. 15107, dated June 25, 1925, the applicant was authorized to purchase from P. E. Tibbetts equipment and operative rights of an automotive truck service between Los Angeles and Newport Beach, Balboa Beach and intermediate points. In Decision No. 15808, dated December 29, 1925, the applicant was granted permission to extend the operative rights from Balboa Beach to include Laguna Beach.

It is proposed in this proceeding to institute store door pickup and delivery service at Los Angeles, Huntington Beach and intermediate points, a service not heretofore rendered, and also to increase the depot to depot rates. The present and proposed rates are as shown below:

<u>Between</u>	<u>And</u>		<u>Rates in Cents per 100 lbs.</u>			
			<u>1st Class</u>	<u>2nd Class</u>	<u>3rd Class</u>	<u>4th Class</u>
Los Angeles	Los Alamitos)	Present	30	25	22	20
	Talbert)					
	Wintersburg)	Proposed	(*40	*35	*30	*25
	Westminster)					
	Huntington)					
	Beach)	(%45	%40	%35	%30	
		(#30	#25	#22	#20	

* From Los Angeles depot only.

% Includes pickup and/or delivery at Los Angeles.

Applies only on two tons or over.

Increases ranging from 2 cents to 3 cents per 100 pounds are also proposed in the rates applying on freight in less than two-ton lots between Los Angeles and Corona, Costa Mesa, Balboa Beach, Newport Beach and Laguna Beach. On freight weighing over two tons it is proposed to reduce the rates from 3 to 13 cents per 100 pounds according to class and destination.

The present minimum charge of 50 cents will remain in effect but will be restricted to apply on shipments weighing 100 pounds or less. On shipments weighing over 100 pounds and less than 150 pounds the minimum charge will be 1/2¢ per pound. On

shipments weighing over 150 pounds the minimum charge will be 75 cents.

Reference to applicant's annual report for the year 1926 indicates that during the period there was but a few cents difference between operating revenue and operating expenses. Prior to the date of hearing applicant's books were audited by an accountant of the Commission's Finance Department and loss for the year 1926 is reported as \$80.87. A statement of operating revenue and expenses for the period from January 1st to September 30, 1927 inclusive was also prepared by the Commission's accountant and indicates that the total revenue received was \$12,352.09 and operating expense \$12,029.83, net income \$322.26.

A witness for applicant testified that the traffic was heaviest during the summer months and extremely light during the last three months of each year. This evidence is borne out by the statement of revenues and expenses for the year 1926, which shows that the total operating expenses for the last three months exceeded operating revenue by \$559.74, which indicates that for the twelve months of 1927 there will be an operating loss of approximately \$250.00.

Since January 1, 1927, applicant's accounts have been set up so as to provide for the additional expense of 5 per cent. tax on gross revenue, amounting to approximately \$780 for the year.

By an exhibit it was shown that the proposed rates compare favorably, distance considered, with automobile truck rates between Los Angeles and Redondo Beach, Wineville, Piru and Moorpark.

Notice of the hearing was mailed to the Associated Jobbers of Los Angeles and Chambers of Commerce at the points served

by applicant, but no one appeared to protest the rate changes.

After giving consideration to all the exhibits and testimony and reviewing the report for the year 1926 and for the year 1927 up to and including September 30th, we are of the opinion and find that the applicant should be authorized to establish the rates and charges as set forth in Exhibit "A" attached to the petition and that the application should be granted.

O R D E R

This application having been duly submitted, full investigation of the matters and things involved having been had, and basing this order on the findings of fact and the conclusions contained in the opinion which precedes this order, which said opinion is made a part hereof,

IT IS HEREBY ORDERED that applicant, G. I. Reis, operating under the fictitious name of Los Angeles-Newport Freight Line, be and he is hereby authorized to publish on not less than ten (10) days' notice to the Commission and to the public, in tariffs constructed in accordance with the rules of the Commission, the rates as proposed and set forth in Exhibit "A" attached to and made a part of the application.

Dated at San Francisco, California, this 2nd day of ~~November~~ December, 1927.

Ernest A. Casey
Leon White
Thos. J. Linn
M. J. Linn
Commissioners.