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Decision No. 2059.

HEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of) McGann and Morgan, Owners, for an) order granting permission to increase) its rates, by establishing a line of) class rates and classification of) commodities to apply between Los) Angeles and Fullerton, Anaheim and) Orange, and intermediate points served.)

Application No.5724.

W. H. McGann for Applicant.

BY THE COMMISSION:

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W. H. McGann and H. J. Morgan, partners in business operating under the fictitious name of Orange County Fast Freight Line and operating between Los Angeles, Fullerton, Anaheim, Orange and intermediate points, have petitioned the Railroad Commission for authority to adopt a new tariff containing class rates, special commodity rates and exceptions to classification.

A public hearing on this application was conducted by Examiner Handford at Los Angeles at which time the matter was duly submitted and is now ready for decision.

Applicants are the successors in interest to J. T. Simmons having been authorized by Decision Number 7462 on Application Number 5565 to acquire by purchase the automobile freight line formerly operated by Mr. Simmons.

At the hearing on this application testimony was

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offered as to the monthly deficit that has accrued in connection with the operation of this line: such deficit averaging §362.10. The rates heretofore charged have not been sufficient to return to applicants their operating costs, depreciation or any interest on the amount invested in the business and the classification under which applicants have been accepting freight is not one that is satisfactory or practicable.

At the hearing on this application there was no protest received against same being granted although due notice of the hearing was given by publication in newspapers in Los Angeles, Anaheim and Orange and also by posting at the stations served by applicants.

After due consideration of all the evidence in this proceeding, we are of the opinion and find as a fact that the revenues derived from operation at the rates now in effect are inadequate to meet operating expenses, depreciation and make any return on the amount invested and the application should be granted.

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IT IS ERREBY CEDERED that this application be and the same hereby is granted and that class rates and classification of commodities, as appearing in exhibit "A" attached to the application in this proceeding, should be published and made effective as the legal rates and classification; such rates to be effective on one day's notice after rates and classification will have been filed with this Commission in accordance with the provisions of General Order No. 51.

Dated at San Francisco, California, this Z day of September, 1920.

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Edi O. Edgel

Commissioners.