

ORIGINAL

Decision No. 8444.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

000000

Application for permission to change)
a rate or fare or rates or fares on)
less than thirty days notice - Mountain) Application No. 6244.
Express, San Diego, California.)
.....)

Warren E. Libbey for Applicants.

BY THE COMMISSION:

O P I N I O N

B. H. Vreeland, I. S. Everts and C. A. Richardson, partners in business operating under the fictitious name of Mountain Express, have petitioned the Railroad Commission for an order authorizing the issuance on less than thirty days notice of a freight and express tariff and rules and regulations governing same.

A public hearing on this application was conducted by Examiner Handford at San Diego, the matter was duly submitted and is now ready for decision.

Applicants propose to issue a tariff and rules and regulations governing same as shown by exhibit "A" attached to the application in this proceeding. The proposed tariff covers graduated rates on a mileage basis to which have been added terminal charges with certain exceptions covering the return haul of empty containers.

Mr. B. H. Vreeland, one of the applicants, testified that the rates charged by the Mountain Express for the carriage of freight and express are on the same basis as when the line was originally established during the year 1917, the present partnership having succeeded to the operation in August, 1920. A statement, filed as an exhibit, shows that the total earnings for the months of August, September and October, 1920, inclusive, aggregated \$18,689.47 and the total expense of operation for the same months was \$24,683.07 or a net loss of \$5,993.60 or a net loss per annum of \$23,974.32. A substantial increase in the costs of labor, tires, gasoline and other supplies used in the operation of the line has occurred since the commencement of operation by the existing partnership; such increases being approximately forty per cent over the former costs. The proposed increases will average from fifteen to seventeen per cent and are estimated by the applicants to produce a revenue from operation that will put the business on a profitable basis.

The proposed rates, assuming that their application increases the revenue by fifteen to seventeen per cent and that the same relative amount of business will be handled under such increased rates, will not offset the operating expense as reflected above and the application therefore becomes one that is of an emergency nature rather

than an application calculated to establish rates on a basis that will produce an adequate return on the capital invested after caring for the costs of operation, maintenance and depreciation.

At the hearing on this application there was no protest on the part of the public or competing carriers objecting to the granting of the desired application.

After careful consideration of all the evidence and the exhibits filed in this proceeding, we are of the opinion and find as a fact that the rates proposed by applicants in exhibit attached to and forming part of the application are necessary to meet the increased costs of labor, material and supplies and to enable applicants to continue the conduct of their business as a common carrier of freight and express.

O R D E R

A public hearing having been held in the above entitled proceeding, the matter having been duly submitted, the Commission being fully advised and basing its order on the finding of fact as set forth in the preceding opinion,

IT IS HEREBY ORDERED that B. H. Vreeland, L. S. Everts and C. A. Richardson, partners in business operating under the fictitious name of Mountain Express, be and they hereby are authorized to publish on five days notice to the public and filing with this Railroad Commission schedules of rates and rules and regulations applicable to the transportation of freight and express matter between San Diego and El Centro and intermediate points in accordance with the schedule of rates and accompanying rules and regulations filed as an

exhibit attached to the application in this proceeding.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 17th day of December, 1920.

Edwin C. Edwards
Arthur J. ...
Frank ...
H. B. ...
Dwight ...

Commissioners.