

Decision No. 40200.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 NELSON STEAMSHIP COMPANY for per-
 mission to temporarily suspend
 Regular Service for the transporta-
 tion of Merchandise for compensation
 between points within the State of
 California.

Application No. 20782

ORIGINAL

BY THE COMMISSION:

OPINION AND ORDER

By application filed September 28, 1936, Nelson Steamship Company (by Sidney M. Hauptman, trustee), a corporation having on file with the Commission tariffs for the transportation of passengers and property by vessel between points within the State of California, seeks authority to suspend its services for the transportation of property for the period of one year ending with September 21, 1937.¹

Applicant alleges that due to tremendous increase in costs of vessel operation, and to a steady decline in the level of intrastate freight rates, the net results of the last year's operations show no profit. Applicant asserts that the cost of stevedoring has increased approximately 75 cents per ton, and the price of fuel oil has advanced about 10 per cent; and that all possible economies in operation and retrenchments have been effected without materially relieving the situation.

¹By Decision No. 28663 of March 23, 1936, in Application No. 19908, applicant was authorized to suspend its passenger service until March 30, 1937.

In February, 1936, applicant filed its petition for reorganization under the Bankruptcy Act, and on July 1, 1936, it discontinued the active solicitation of intra-state cargo. It believes that within a year labor conditions, which have been an important factor in increasing the operating costs, will have been adjusted to the point where it may again be possible for applicant to render a regular service for the transportation of property upon a compensatory basis.

The granting of the application will not deprive the public of transportation, as the territory is served by other common carriers.

It appears that this is a matter in which a public hearing is not necessary, and that the application should be granted; therefore,

IT IS HEREBY ORDERED that Nelson Steamship Company, by Sidney M. Hauptman, trustee, be and it is hereby authorized to suspend its service for the transportation of property until September 22, 1937, provided it immediately supplement its tariffs on file with the Commission to show that its service has been suspended as authorized herein.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 19th day of October, 1936.

W. B. Lewis
Leon Whittell
W. H. Cunn
W. H. Cunn
Frank R. Wheeler
Commissioners.