

ORIGINAL

Decision No. 40268

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)	
into the rates, rules, regulations,)	
charges, allowances, and practices)	
of all common carriers, highway)	Case No. 4808
carriers, and city carriers relating)	
to the transportation of property.)	

Appearances

Robert E. Gocke and Reginald L. Vaughan, for petitioner.

SUPPLEMENTAL OPINION

Gibson Lines is a common carrier of passengers and express by motor vehicle between San Francisco, Sacramento, Stockton, Chico, Oroville, California-Nevada State Line and intermediate points. It seeks authority to increase its express rates on less than statutory notice.

A public hearing was had before Examiner Mulgrew at San Francisco on April 4, 1947.

Petitioner's express service is limited to depot-to-depot transportation of shipments weighing 100 pounds or less on passenger stage equipment. Its express rates generally vary according to the weight of the shipment and the distance involved. These rates range from 25 cents for the transportation of shipments weighing 5 pounds or less for distances of not more than 55 miles to \$1.70 for the transportation of shipments weighing over 95 but not over 100 pounds for distances of over 205 but not over 245 miles. Petitioner seeks authority to establish a minimum charge of 75 cents for this transportation. For distances of over 55 miles

this proposal affects only shipments weighing 45 pounds or less. For shorter distances shipments weighing up to 70 pounds are involved. Petitioner also proposes to effect various increases, none exceeding 15 cents per shipment, in rates for shipments weighing over 60 but not over 85 pounds transported for distances of 46 to 55 miles. This adjustment is proposed to equalize petitioner's rates with rates maintained by the Pacific Greyhound Lines for such transportation.

In addition to the express rates of general application, monthly rates are provided for the transportation of daily shipments weighing one pound or less. These rates range from \$3.00 per month for distances of 45 miles or less, to \$8.00 per month for distances of over 205 but not over 245 miles. Authority is sought to increase the \$3.00 rate to \$9.00 and the \$8.00 rate to \$24.00. Comparable increases are proposed in the monthly rates for other distances. Petitioner also seeks authority to publish the minimum "C.O.D." charges established for highway carriers by Decision No. 39945 of February 4, 1947, in this proceeding. This involves both increases and reductions.

An analysis of petitioner's express traffic for the month of January 1947 discloses aggregate revenues of \$1,495.60 and total expenses attributable to the handling of express of \$4,698.30. It also discloses that 93 per cent of this revenue was derived from traffic handled under the express rates of general application. Under the proposed increased rates January-1947 revenues would have been \$3,283.46, an amount \$1,414.84 short of the indicated cost of providing the service.

Petitioner's vice president testified that the carrying of passengers was its primary function and that the handling

of express was inaugurated as an accommodation service for merchants and residents of communities served by the line. The volume of express traffic, he said, has increased to a point where it is a threat to the efficiency of the passenger operation. It has reached the point, he testified, that it congests terminals and delays schedules and thus inconveniences passengers. The witness also said that the company's drivers had protested against being required to handle a large volume of express and that demands had been made upon the carrier by the drivers' union for the employment of terminal personnel for this purpose.

The witness attributed the increase in the company's express traffic to the fact that its rates had not been adjusted for several years during which the rates of highway carriers of property had been materially increased. He said that, although the company's express revenues had been and were relatively small in relation to passenger revenues, express rates must now be increased to a basis more nearly approximating the cost of rendering the service. This, he claimed, is necessary not only from the standpoint of the company's revenue requirements but also in order to repel traffic which has been moving by other for-hire carriers. It is also necessary, he said, in order to restore petitioner's property handling to its former status, that of accommodating merchants and others requiring the expedited service rendered by a passenger carrier. In regard to petitioner's over-all operating results, the witness stated that during the months of January and February 1947 (the last months for which figures were available) losses of \$16,625.73 and \$17,618.31, respectively, had been experienced.

No one opposed the granting of the petition.

It is clear from the record made that petitioner's existing rates for the transportation of express are noncompensatory. The proposed increased rates have been justified. The petition will be granted.

On April 7, 1947, Harry W. Rae and Lillian Eileen Rae, doing business as Bisher Truck Line, sought authority to assess charges less than the \$1.00 minimum per-shipment charge established by Decision No. 39945 of February 4, 1947, but greater than their existing minimum per-shipment charges. On April 8, 1947 the Commission issued its Decision No. 40151 which reinstated the former level of per-shipment charges for the transportation involved. Under the circumstances it appears that the petition should be dismissed. Should petitioners still desire to increase their minimum per-shipment charges, authority to do so may be sought by filing application under Section 63 of the Public Utilities Act.

O R D E R

Based on the evidence received of record and on the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that Gibson Lines, a corporation, be and it is hereby authorized to establish, within sixty (60) days from the effective date of this order and on not less than ten (10) days' notice to the Commission and to the public, the increases in its express rates proposed in its petition, filed March 18, 1947, and as amended.

IT IS HEREBY FURTHER ORDERED that the petition of Harry W. Rae and Lillian Eileen Rae, doing business as Bisher Truck Line, filed April 7, 1947, in this proceeding be and it is hereby dismissed.

This order shall become effective twenty (20) days from the date hereof.

Dated at Los Angeles, California, this 13th day of May, 1947.

Harold P. Hule

Leah Russell

A. F. [unclear]

Kenneth Potter

Commissioners