

ORIGINAL

Decision No. 41517

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
COAST LINE TRUCK SERVICE, INC., a )  
corporation, and SOUTHERN CALIFORNIA )  
FREIGHT FORWARDERS, a corporation, )  
for an order approving an operating )  
agreement. )

Application No. 29168

O P I N I O N

By this application, Coast Line Truck Service, Inc., a highway common carrier, and Southern California Freight Forwarders, an express corporation, seek an order approving a proposed agreement under which the former would act as the underlying carrier for the latter in transporting perishable farm products from Los Angeles to San Francisco; Oakland and San Jose.

The shipments to be covered by the agreement would originate in the San Diego, Coachella Valley and Imperial Valley districts. It is proposed that the underlying carrier shall receive for its transportation service 78 cents per 100 pounds on shipments rated "any quantity" and the minimum rate prescribed in Highway Carriers' Tariff No. 8 when shipments are subject to a minimum weight of 2,000 pounds or higher.

The proposed agreement further provides that, if because of shortage of equipment, the underlying carrier is unable to transport a shipment tendered to it, the express corporation shall lease the necessary equipment to the underlying carrier. As rental therefor, the lessor is to receive 90 per cent of the established minimum rate in effect on the shipment from Los Angeles to its destination.

It appears that the provisions for the leasing of equipment are intended to cover all operating expenses, including the services of necessary drivers. A proposal of this nature would not be in conformity with Part V of General Order No. 93-A. However, as a wartime measure highway common carriers have been permitted to deviate from the leasing provisions of General Order No. 93-A during the national emergency and "until further order of the Commission" (Resolution EM-T-16, dated February 2, 1943). A proceeding (Case No. 4946) has been instituted for the purpose of determining whether this and certain other emergency resolutions should be revoked or amended.

Inasmuch as the emergency regulations governing the leasing of equipment may be cancelled or modified within the near future, applicants have indicated a willingness to so modify the proposed agreement to provide for the termination of the leasing arrangement in the event of the cancellation of Resolution EM-T-16. As thus amended, the Commission's approval of the proposed agreement will not be necessary. An order will, therefore, be entered dismissing the application. Applicants should, however, file an executed copy of the agreement not later than 10 days after it becomes effective.

O R D E R

Application as above entitled having been made, and the Commission being fully advised in the premises,

IT IS ORDERED that the application in this proceeding  
be and it is hereby dismissed.

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

Dated at San Francisco, California, this 27<sup>th</sup>  
day of April, 1948.

R. F. [Signature]  
Justice F. [Signature]  
[Signature]  
[Signature]  
[Signature]  
COMMISSIONERS