

ORIGINAL

Decision No. 43846

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Delta Lines, Inc.,)
a corporation, and Sacramento Freight)
Lines, a copartnership, for authority)
to establish and maintain joint) Application No. 30398
highway common carrier rates between)
points on their respective lines.)

Appearances

Frederick W. Mielke, for applicants.
E. L. Van Dellen, for Western Pacific Railroad
Company, protestant.

O P I N I O N

Applicants are highway common carriers of property. By this application, as amended, they seek authority, under Section 50-3/4(c) of the Public Utilities Act, to establish joint rates for the transportation of general commodities between points served by them.

A public hearing was had before Examiner Jacopi at San Francisco on February 8, 1950.

Delta Lines, Inc. operates between points in the San Francisco Bay Area and Sacramento, Stockton and intermediate points. Sacramento Freight Lines operates between Sacramento, on the one hand, and points situated along State Highway No. 24 from Grandview to Portola, and points situated along State Highway No. 89 from its intersection near Paxton with State Highway No. 24 to Greenville, including Taylorsville and other points situated along an unnumbered highway connecting with State Highway No. 89 near Crescent Mills,

on the other hand.¹ For transportation between the points served by Delta Lines, Inc. and those served by Sacramento Freight Lines, combination rates apply. Applicants propose to establish joint less-than-carload rates for such movements.² Authority to establish joint carload rates is not sought. The proposed rates are lower than the existing combination rates. All of the proposed rates are on the minimum rate levels.

Traffic handled under the joint rates would be interchanged at Sacramento. Applicants have arrived at mutually satisfactory bases of divisions. Second-day delivery would be provided.

Witnesses for applicants testified that shippers have constantly tendered less-than-carload shipments to applicants for transportation between the points involved herein; that the through service is performed under combination rates; and that shippers have demanded the establishment of joint rates on a level lower than the combination rates. According to the witnesses, the volume of the intrastate less-than-carload traffic transported between the points in question in the year 1949 ranged from a low of 35,354 pounds in December to a high of 63,512 pounds in August. They expressed the opinion that the proposed rates would be profitable and would place applicants on a competitive basis with radial highway common and highway contract carriers which may now observe less-than-carload rates no lower than those proposed herein.

The Western Pacific Railroad Company appeared as a protestant to the granting of the sought authority and its counsel participated in development of the record through examination of the witnesses.

¹ Sacramento Freight Lines also operates between other points which are not involved herein.

² The less-than-carload rates in question would be established in connection with the following weight brackets: Any Quantity (Less than 4,000 pounds), and minimum weight 4,000 pounds, 10,000 pounds, and 20,000 pounds.

The reasons underlying the Western Pacific's protest were not discussed at the hearing and no direct evidence relative to its position in this matter was offered. The record is persuasive that the operations in question can be conducted by applicants on a satisfactory basis under the proposed rates. Shippers desiring to use applicants' service for through transportation between the points involved should not be required to pay higher rates. We are, therefore, of the opinion and accordingly find that the sought joint rates have been justified and should be approved.

O R D E R

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

IT IS HEREBY ORDERED that Delta Lines, Inc., a corporation, and Sacramento Freight Lines, a copartnership, be and they are hereby authorized to establish, within sixty (60) days after the effective date of this order and on not less than ten (10) days' notice to the Commission and the public, joint through highway common carrier less-than-carload rates on the levels of the established minimum rates, as requested; and that tariff filings made pursuant to this order shall in all other respects comply with the provisions of General Order No. 80.

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

Dated at San Francisco, California, this 20th day of February, 1950.

R. E. Anderson
Justice F. Coleman
Reginald S. Dwyer
Harold P. Hull
Marion H. Potter
 Commissioners