

Decision No. 44682

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of MERCHANTS EXPRESS CORPORATION)
for an order authorizing estab-)
lishment of rates (a) pursuant to)
currently effective minimum rate)
orders and to meet competitive)
conditions, under Sections 24(a))
and 63 of the Public Utilities)
Act, (b) upon less than statutory)
notice, under Section 15 of the)
Public Utilities Act and (c) for)
relief from Rules 2(d), 2(f), 4(c))
and 7(a) of Tariff Circular No. 2.)

Application No. 31600

OPINION AND ORDER

Applicant, a highway common carrier, recently acquired operating rights from M. L. Morris, doing business as M & W Truck Line, and from R. E. Ford, doing business as Pacific Transfer Company.¹ Merchants adopted the Morris and Ford tariffs and now provides through service between points on the different operating rights. Its rates between San Francisco Bay Area and other coast points on the one hand and points on the recently acquired lines on the other hand are a combination of the local rates for each operation. They are higher than the rates of competing carriers over the direct routes.

Applicant proposes to issue a new tariff canceling the tariffs now in effect, and naming through rates generally on the level of the minimum rates based on the direct routes between the

¹ This acquisition was authorized by Decision No. 44269 of May 26, 1950, in Application No. 30980. Morris' operating rights, originally granted by Decision No. 43080 of June 28, 1949, in Application No. 27140, were (a) between San Francisco and the East Bay cities, on the one hand, and Stockton, Lodi, Sacramento and North Sacramento, on the other hand; and (b) between Stockton and North Sacramento, serving Lodi and Sacramento as intermediate points. Ford's operating rights, originally granted by Decision No. 43106 of July 6, 1949, in Application No. 29308, were generally between Sacramento and Redding. Prior to this, Merchants' operations embraced the territory generally extending from Healdsburg and Calistoga on the north, through San Francisco, Oakland and other East Bay cities, to Livermore on the east, and San Jose on the south.

points involved.² The proposed rates would be no lower than those of applicant's competitors. By this application, as amended, authority is sought under Section 24(a) of the Public Utilities Act to make the proposed rates nonintermediate in application. The verified application alleges that such a restriction is necessary in order to meet competitive conditions. Applicant's present rates are nonintermediate in application, having been published under authorities similar to that requested herein. Some of the proposed commodity rates are rail competitive rates, and will apply from and to railhead at points named only.³

Authority to effect increases is sought in order to remove existing violations of the minimum rate orders. In several instances the present rates are below the minimum due to errors having been made in constructive mileage determinations. A portion of the territory which has been included in the South San Francisco pickup and delivery zone properly belongs in the San Francisco zone. The present commodity description in one of the rail competitive rate items inadvertently differs slightly from the description in the rail tariff. The proposed changes will correct these matters.

Authority is also sought to omit reference marks required by Tariff Circular No. 2 and General Order No. 80, where reductions or changes involving neither increase nor reduction are made. Applicant alleges that due to the revision of rate basis numbers and the many new rates in the proposed tariff, the number of changes are so numerous as to make the use of the required symbols burdensome. A change in a commodity description in a rate item naming competitive rates is also requested.

2

Tariffs now in effect are Cal.P.U.C. No. 10, Cal.P.U.C. No. 1 (series of M. L. Morris, dba M & W Truck Line), and Cal.P.U.C. No. 3 (series of R. E. Ford, dba Pacific Transfer Company).

3 Provision is made for off-rail pickup or delivery by the addition of class arbitraries.

Competing carriers have been notified and do not oppose the granting of the sought authority.

It appears that this is a matter in which a public hearing is not necessary and that the amended application should be granted. The increases involved are justified.

Therefore, good cause appearing,

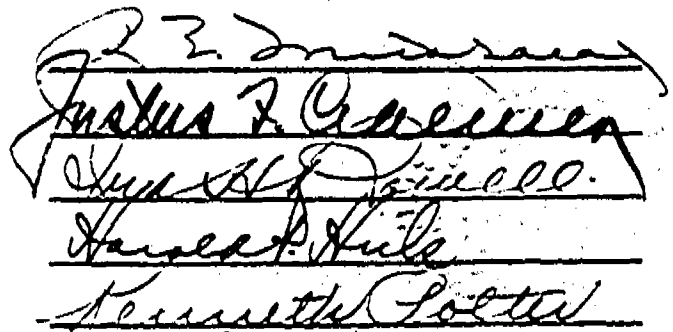
IT IS HEREBY ORDERED that Merchants Express Corporation be and it is hereby authorized to publish on not less than five (5) days' notice to the Commission and to the public the rates, charges, rules, regulations and other provisions specifically set forth in the exhibit attached to the above-entitled application, as amended.

IT IS HEREBY FURTHER ORDERED that Merchants Express Corporation be and it is hereby authorized to depart from the provisions of Tariff Circular No. 2, General Order No. 80, and Section 24(a) of the Public Utilities Act to the extent necessary to carry out the effect of the order herein.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire ninety (90) days after the effective date of this order.

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

Dated at San Francisco, California, this 22nd day of August, 1950.



Commissioners