

Decision No. 45936

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of J. H. DEVINE and J. J. DEVINE,)
co-partners doing business as)
DEVINE and SON TRUCKING COMPANY)
for Section 11 Relief.)

Application No. 32441

ORIGINAL

Appearances

Willard S. Johnson, for applicants.
Frank Loughran, for Truck Owners Association,
interested party.
R. A. Lubich, for the Commission's staff.

O P I N I O N

J. H. Devine and J. J. Devine, doing business as Devine and Son Trucking Company, operate under a highway contract carrier permit.¹ They seek authority to transport lumber from the Glenco Forest Products Company at a rate less than that established as minimum.

Public hearing of the application was held at San Francisco on June 22, 1951, before Examiner Lake.

The transportation in question involves the movement of lumber from the Glenco Forest Products Company mill at Elk Creek to various consignees engaged in the wholesale lumber business at Sacramento.² According to the record, the mill at Elk Creek has just recently been completed. It is designed to cut from 90,000 to 100,000 board feet of lumber per day of one eight-hour shift during

¹ Applicants also conduct certain highway operations under radial highway common carrier and city carrier permits .

² Elk Creek is located about 25 miles northwest of Willows. It is approximately 112 miles from Sacramento.

the first year.³ The lumber to be produced is what is known in the lumber trade as "rough cut" lumber. It will be stacked for air drying close to the mill and will be readily accessible for loading and unloading on trucks in sufficient quantities to permit a continuous movement of approximately 135 tons per day, 294 days the first year.

To handle this movement applicants propose to purchase three new truck and trailer trains which will be specially designed for handling lumber. They propose to operate the equipment on two round trips per day. Loading at the mill will be performed by the shipper and unloading will be accomplished by the consignees. In addition, the consignees will, when the unloading is completed, load the trailers on the trucks for the return trip. The route of movement was said to be over first-class highways involving easy curves and only slight grades. Assertedly, these conditions will result in a better than average utilization of applicants' equipment and in lower operating costs not ordinarily prevailing in lumber movements.

The minimum rate established for this transportation in truckload lots is 20 cents per 100 pounds, minimum weight 30,000 pounds. Applicants seek authority to observe a rate of 16 cents per 100 pounds, minimum weight 40,000 pounds. The estimated cost of performing this service, before provision for income taxes, was determined by a consulting engineer to be 14.49 cents per 100 pounds. The operating ratio on the basis of the proposed rate would be 90.56 percent.

³ It is expected that during the second year production will be doubled.

The president of the Glenco Forest Products Company testified that unless the authority herein sought is granted it would make arrangements to handle the movement in proprietary equipment.

No one opposed the granting of the application.

The Truck Owners Association participated in this proceeding as an interested party. Its counsel assisted in the development of the record through cross-examination of the witnesses.

The record is convincing that in view of the unusually favorable circumstances and conditions that will obtain, applicants will be able to conduct the operation under the proposed rate on a compensatory basis and that a rate of this volume is necessary to retain the traffic.

We are of the opinion and hereby find that the rate proposed by applicants is reasonable. The application will be granted. Because circumstances may change, however, the authority will be made to expire at the end of one year, unless sooner canceled, changed or extended by appropriate order of the Commission.

O R D E R

This application having been heard and submitted, and full consideration of the matters and things involved having been had, and based upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that J. H. Devine and J. J. Devine, co-partners doing business as Devine and Son Trucking Company, be and they are hereby authorized to transport lumber for Glenco Forest Products Company from Elk Creek to Sacramento at a rate less than the established minimum rate but not less than 16 cents per 100 pounds, minimum weight 40,000 pounds.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire one (1) year after the effective date of this order unless sooner canceled, changed or extended by order of the Commission.

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

Dated at San Francisco, California, this 10th day of July, 1951.

A. J. ...
Justice J. ...
Harold ...
...

Commissioners