

Decision No. <u>46309</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Lester J. and John H. Geijsbeek, a)
co-partnership, doing business as)
Geijsbeek Truckers for authority to)
publish a rate lower than the minimum)
for the transportation of Lumber and)
Forest Products from Paskenta to)
Corning.

Application No. 32660

Appearance

Marquam C. George, for applicants.

OPINION

Lester J. and John H. Geijsbeck, doing business as Geijsbeck Truckers, operate as a highway common carrier of lumber and forest products. By this application, they seek authority to transport lumber and forest products for Crane Mills at a rate less than that established as minimum.

Public hearing of the application was held at Corning on October 5, 1951, before Examiner Jacopi.

The transportation in question involves the movement of lumber, shade roller stock or lath (car strips) in quantities of not less than 30,000 pounds from Crane Mills at Paskenta to the company's planing mill and remanufacturing plant at Corning. The distance between the points is about 20 miles. The established minimum rate for this transportation is $7\frac{1}{2}$ cents per 100 pounds, minimum weight 30,000 pounds. The sought rate is 7 cents per 100 pounds, minimum weight 30,000 pounds.

Evidence in support of the application was introduced by one of the partners. He asserted that the minimum rate is excessive for the transportation in question because of the favorable conditions under which it is performed. According to his testimony, the traffic moves at the rate of 10 to 12 loads per day, 300 days per year. The loading and unloading is performed by the shipper with mechanical equipment at its own expense. These operations require about five minutes each. The route of movement was said to be over paved and level highways which are free of traffic congestion. Assertedly, these conditions enable applicants to realize an equipment use factor that is more favorable than that ordinarily obtained in other movements of lumber and forest products.

A revenue and expense statement was submitted covering the movement of the traffic in question for the first nine months of 1951 under the present rate. The statement showed that the revenues amounted to \$51,613 and that the operating expenses were \$43,011. The operating ratio before provision for income taxes was 83.3 percent. The statement also showed that if the sought rate had been in effect during the period in question the operating ratio before taxes would have been 89.3 percent. The record shows that the shipper has informed applicants that it will arrange to move the traffic in proprietary equipment unless the sought rate is authorized.

No one opposed the granting of the application.

The evidence is convincing that in view of the unusually favorable conditions involved in the transportation in question applicants will be able to conduct the operations under the sought

rate on a compensatory basis and that the rate is necessary to retain the traffic for for-mire carriage.

We are of the opinion and hereby find that the proposed reduced rate is reasonable. Applicants will be permitted to amend their tariff accordingly. 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 order of the Commission. The publication of the proposed rate will be authorized on five days' notice to the Commission and to the public rather than on the sought one day's notice.

ORDER

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

IT IS HEREBY ORDERED that Lester J. and John H. Geijsbeek, copartners doing business as Geijsbeek Truckers, be and they are hereby authorized to publish and file, and to make effective on not less than five (5) days' notice to the Commission and to the public, a rate of 7 cents per 100 pounds, minimum weight 30,000 pounds, for the transportation of lumber, shade roller stock, or lath (car strips) from Paskenta to Corning.

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.

IT IS HEREBY FURTHER ORDERED that in all other respects the above-entitled application be and it is hereby denied.

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

Dated at San Francisco, California, this 15th, day of October, 1951.

Justin J. Ceaceur, Harolat Hiels

Commissioners