A. 33996(lst Supp.)-E0

Decision No. <u>49551</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ARNOLD D. CHERRY and STANLEY CHERRY, copartners, doing business as ARNOLD D. CHERRY, for an order authorizing departure from the rates, rules and regulations of Highway Carriers' Tariff No. 2, under the provisions of Section 3666 of the Public Utilities Code.

Application No. 33996 (First Supplemental)

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## FIRST SUPPLEMENTAL OPINION AND ORDER

Decision No. 48217 of January 27, 1953, in this proceeding, authorized applicants to deviate from the minimum rates in connection with the transportation of property for McKesson & Robbins, Incorporated. The authority is limited to transportation from that concern's warehouses in Oakland and San Leandro to points in the East Bay drayage area.<sup>1</sup> Applicants were permitted to observe the monthly minimum rates ordinarily applicable only within the drayage area for both the Oakland transportation wholly within that area and the San Leandro transportation originating outside the area. The authority is scheduled to expire February 16, 1954. Since it was granted the monthly minimum rates have been increased.<sup>2</sup> Authority is sought to continue to observe the monthly rates but at their present level.

The verified supplemental application alleges that, except for increased operating costs, the conditions surrounding the transportation in question which justified deviation from the minimum rates

1 The East Bay drayage area consists of the Cities of Alameda, Albany, Berkeley, Emeryville, Oakland and Piedmont.

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Decision No. 49167 of September 29, 1953, in Case No. 5441.

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still obtain. It shows that the increased rates are now being observed. It also shows that operations under the outstanding authority have been compensatory, that the proposed increase will offset the higher operating costs and that operations under the sought rates may reasonably be expected to be profitable.

In the circumstances it appears that this is a matter in which a public hearing is not necessary and that the supplemental application should be granted. Because the conditions under which the service is performed may change at any time, extension of the authority will be limited to a one-year period.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that Decision No. 48217 of January 27, 1953, in this proceeding, be and it is hereby amended by providing that the rates authorized therein shall be increased to the level set forth in Item No. 1100-C of City Carriers' Tariff No. 2-A -Highway Carriers' Tariff No. 1-A; and that the expiration date of the authority granted by said Decision No. 48217, as amended herein, be and it is hereby extended to February 16, 1955, unless sooner changed or further extended by order of the Commission.

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

Dated at San Francisco, California, this  $12^{-\frac{74}{2}}$  day of January, 1954.

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