Decision No. 52233

## ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of WALKUP DRAYAGE & WAREHOUSE COMPANY, a corporation, for authority to depart from the rates, rules and regulations of Highway Carriers' Tariff No. 2 under the provisions of the Highway Carriers Act.

Application No. 28758 (Ninth Supplemental)

Interim.
NINTH-SUPPLEMENTAL OPINION AND ORDER

OGM

Applicant holds a highway contract carrier permit. transports iron and steel structural material and babbitt metal for Joseph T. Ryerson & Son, Inc. Prior orders in this proceeding have authorized it, under Section 3666 of the Public Utilities Code, to observe monthly vehicle unit rates instead of the minimum rates in cents per 100 pounds otherwise applicable to this transportation. The authority is limited to transportation from Ryerson's plant in Emeryville to points within 150 miles thereof. It is scheduled to expire November 20, 1955. Permission is sought to continue to deviate from the minimum rates for a further one-year period. Applicant proposes, however, that the previously authorized monthly rates be increased by \$38.34. Additional authority is sought to assess a rate of \$906.45 per month for the operation of three-axle trucks with a loading capacity of 30,000 pounds, with an additional charge of  $15\frac{1}{2}$  cents per mile for all miles operated in excess of 1050 miles per month.

The supplemental application states that, except for an increase in drivers' wages and employer contributions to employee health and welfare funds, the conditions which justified deviation

from the minimum rates generally still obtain; that the proposed increase in the rates would offset these higher costs; and that operations under the proposed rates may reasonably be expected to be profitable during the ensuing year.

It has come to the Commission's attention that the applicant corporation herein may be the alter ego of Merchants Express Corporation, a highway common carrier, which latter company transports general commodities between points involved in this application. I The special rate authority herein sought under Section 3666 of the Public Utilities Code is not applicable to common carrier services. In view of these circumstances, the authority on the proposed basis will be extended for a ninety-day period in order to allow applicant additional time to offer further justification in support of the sought extension. To prevent a lapse of applicant's authority, the order will be made effective November 20, 1955.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that Decision No. 40841 of October 28, 1947, as amended, in this proceeding, be and it is hereby further amended by providing that the rates authorized therein shall be further increased by adding thereto an increase of \$38.34 per month; and also a rate of \$906.45 per month be authorized for the operation of three-axle trucks with a loading capacity of 30,000 pounds, together with an additional charge of 15½ cents per mile for all

Section 3542 of the Public Utilities Code reads as follows: "No person or corporation shall engage or be permitted by the Commission to engage in the transportation of property on any public highway, both as a common carrier and as a highway contract carrier of the same commodities between the same points."

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miles operated in excess of 1050 miles per month; and that the expiration date of the authority granted by said Decision No. 40841, as so further amended, be and it is hereby extended to February 18, 1956, unless sooner changed or further extended by the Commission.

This order shall become effective on November 20, 1955.

Dated at Los Angeles, California, this 4 day of
November, 1955.

President

Justis D. Casima

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