

52287

Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into }
the rates, rules, regulations, charges, }
allowances and practices of all common }
carriers, highway carriers and city }
carriers, relating to the transporta- }
tion of general commodities (commodities }
for which rates are provided in Minimum }
Rate Tariff No. 2). }

Case No. 5432
(Petition No. 34)
(First Supplemental)

SUPPLEMENTAL OPINION AND ORDER

By Decision No. 51832 of August 16, 1955, following amendments to Section 530 of the Public Utilities Code, the rule in Item No. 20 of Minimum Rate Tariff No. 2, which allowed highway permit carriers to deviate from the minimum rates in connection with the transportation of property for the Armed Forces of the United States, was canceled. Following representations of the Department of Defense and other interested parties, the effective date of the cancellation of the tariff rule was postponed to December 5, 1955, in order to give the carriers and their tariff publishing agents reasonable opportunity to negotiate rate tenders mutually satisfactory to themselves and to the Department of Defense and, where necessary, to seek authority from this Commission to establish such rate tenders as their lawful rates pursuant to Section 530 of the Public Utilities Code, as amended (Decision No. 51922, dated September 6, 1955, in this proceeding).

By petition filed November 21, 1955, the Department of Defense seeks a further 60-day postponement. The petitioner avers that it has attempted diligently and in good faith to meet the December 5 date, but that because of the magnitude of the task it is unable to do so.

By the amendment to Section 530 of the Public Utilities Code, which was enacted by the legislature and became effective September 7, 1955, the general right of common carriers to transport

property for government agencies at free or reduced rates was removed, subject to such exceptions as the Commission may consider just and reasonable. The provision of Item No. 20 of Minimum Rate Tariff No. 2 which permits carriers to deviate from the minimum rates in connection with the transportation of property for the Armed Forces of the United States constitutes an exception which was established prior to the amendment of Section 530. So long as this provision remains in effect, not only the permitted carriers but also the common carriers are without the rate regulation which clearly was contemplated under the recent legislative enactment. (See Decision No. 51831 dated August 16, 1955, in Case No. 5432.) As hereinbefore stated, the Commission has once postponed the cancellation of this provision for a period of 90 days upon representations that during such period satisfactory rate arrangements would be negotiated and proposed to the Commission for its consideration.

The intent of the legislature should be carried out without further delay. Accordingly, the petition for further postponement will be denied. This action will in no way preclude carriers from filing applications for such rate exceptions as they may consider to be just and reasonable.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that First Supplemental Petition for Modification No. 34, in Case No. 5432, filed November 21, 1955, by the Department of Defense, be and it is hereby denied.

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

Dated at San Francisco, California, this 24th day of

November, 1955.

John E. Mitchell
President

Justus J. Craven
Paula Wetzen
Matthew J. Kelly

Commissioners