

ORIGINAL

Decision No. 54515

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE RIVER LINES,)
INC., a corporation, for an)
order authorizing increases in)
class and commodity rates,) Application No. 38637
other than rates on bulk oil,)
in the State of California.)

OPINION AND ORDER

The River Lines, Inc., is a corporation engaged in the transportation of property by vessel on San Francisco Bay, the Sacramento and San Joaquin Rivers, and their tributaries. By this application, filed December 5, 1956, it seeks authority to increase certain of its rates and to cancel a number of commodity rates contained in its tariffs.¹

Applicant states that it incurred a large increase in labor costs during 1956. It further states that this cost increase, together with other increases in costs which it has experienced during the last several years, has caused applicant's operations to be conducted at a loss. Applicant asserts that the only commodity involved which it has transported intrastate to any degree during the past years is bulk whole grain. On this commodity it proposes increases ranging from 10 to 33 percent. On its class rates and certain other commodity rates applicant seeks varying increases to maintain these rates on the level of those for interstate traffic. In connection with the proposed cancellation of the rest of its

¹The tariffs are Local Freight Tariff No. 2, Cal. P.U.C. No. 18 and Terminal Tariff No. 2-A, Cal. P.U.C. No. 37. Rates on the transportation of bulk petroleum and petroleum products are not involved herein.

commodity rates, applicant submits the usual dead rate stipulation.² Applicant states that the granting of this application will bring its tariffs in line with present operations.

Applicant has submitted an estimate of operating results for a 12-month period at the proposed rates. The results determined by applicant show a net operating income after taxes of \$81,850, an operating ratio of 94.3 percent and a rate of return of 5.89 percent.

Copies of the application were served upon interested parties. No one opposed the granting of the authority being sought. Poultry Producers of Central California, the only regular shipper of bulk grain, has informed applicant that it has no objections to the proposed increases on grain.

Upon consideration of all the facts and circumstances of record the Commission finds that the increases resulting from the proposed changes in rates, rules and regulations are justified. A public hearing is not necessary.

Therefore, good cause appearing,

IT IS HEREBY ORDERED:

(1) That The River Lines, Inc., be and it is hereby authorized to establish, on not less than five days' notice to the Commission and to the public, the rates, rules and regulations as proposed in Exhibit "D" to the application, subject to the dead rate stipulation set forth in Exhibit "G" thereof.

(2) That the authority herein granted shall expire unless exercised within sixty days after the effective date of this order.

²The dead rate stipulation states that should traffic be offered on these commodities within one year of the cancellation of the rates, applicant will reinstate the rates being canceled.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 11th day of February, 1957.

E. W. Mitchell
President
Ray C. Winter
William H. ...
R. Hardy
C. L. ...
Commissioners