

**ORIGINAL**

Decision No. 55954

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 transportation of general commodities (commodities for which rates are provided in Minimum Rate Tariff No. 2).	)	Case No. 5432
	)	Petition for
	)	Modification
	)	No. 72
	)	(Second Supplemental)

SUPPLEMENTAL OPINION AND ORDER

A & B Garment Delivery of San Francisco, a corporation, operates as a highway common carrier of garments and related articles between points within the San Francisco-East Bay Cartage Zone,<sup>1</sup> and between San Francisco and San Jose and intermediate points. Prior orders in this proceeding authorized petitioner to publish a vehicle unit rate of \$5.60 per hour for transportation between retail stores and between retail stores and warehouses thereof, limited to shipments of 4,500 pounds or less and subject to other specified conditions. The published rate is scheduled to expire December 25, 1957.

By supplemental petition, as amended, permission is sought to continue to maintain this rate for a further one-year period, and to modify said rate to equal any hourly vehicle unit rate which may be prescribed for vehicles having carrying capacities over 2,500 but not over 4,500 pounds, as set forth in Item 560-H of City Carriers' Tariff No. 1-A, if the latter charge is adjusted prior to December 25, 1958.

<sup>1</sup> The San Francisco-East Bay Cartage Zone is defined in Decision No. 50872, dated December 14, 1954, in Case No. 5535 (53 Cal. P.U.C. 696).

Petitioner alleges that its operating costs have not materially changed since its present rate of \$5.60 per hour was established. Increased wages have been incurred, but assertedly have been offset by decreases in other expenses. After adjustment to reflect the changes in expenses, the operating ratio, before provision for income tax, will be 94.55 percent according to petitioner's estimate. Petitioner alleges that the present rate under existing conditions is adequate and provides a reasonable profit for the service. It does not anticipate any material increases in operating expenses during the ensuing year which would have a marked effect upon its forecast. Petitioner's request for authority to make future adjustments of the rates to conform with prospective increases in certain minimum rates contained in City Carriers' Tariff No. 1-A rests upon the asserted need for uniformity between its city and highway operations.

Petitioner has heretofore shown its existing rate to be reasonable (Decision No. 52367 dated December 20, 1955, as amended, by Decision No. 54178 dated December 4, 1956, in Petition for Modification No. 72, Case 5432), and now alleges that it has not experienced and does not anticipate any material increases in operating expenses.

In the circumstances it appears, and the Commission finds, that the sought rate is reasonable and justified by transportation conditions. Accordingly, the petitioner will be authorized to continue to publish the rate for a one-year period. Petitioner's request for authority to adjust the sought rate by an unspecified amount at an undetermined future date will not be granted. No data has been submitted to show the reasonableness or propriety of any such adjustment. Should petitioner in the future have facts deemed to warrant

a specific change in the rate, it may then file an appropriate petition for authority to do so.

Therefore, good cause appearing,

IT IS ORDERED that A & B Garment Delivery of San Francisco, a corporation, is hereby authorized, on not less than two days' notice to the Commission and the public, to publish an expiration date of December 25, 1958, in connection with the rates named in Item No. 39.5-A of A & B Garment Delivery of San Francisco Local Freight Tariff No. 3, Cal.P.U.C. No. 3 (Series of Frank J. Brown, dba A & B Garment Delivery of San Francisco) and in Item No. 2040 of Pacific Motor Tariff Bureau Local Freight Tariff 8-A, Cal.P.U.C. No. 1, Maurice A. Owens, Agent (Series of Daniel W. Baker, Agent).

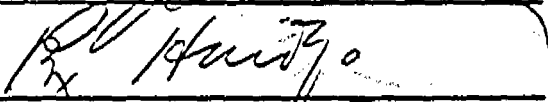
The effective date of this order shall be the date hereof.

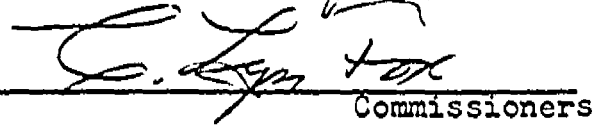
Dated at San Francisco, California, this 16<sup>th</sup> day of December, 1957.

  
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President

  
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Commissioners