

ORIGINAL

Decision No. 56811

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
California Cartage Company, Inc.,)	
Inland Transportation Corporation,)	
Marine Transport Company and Mer-)	Application No. 39949
chants Express of California for)	
authority to establish joint through)	
rates and routes.)	

OPINION AND ORDER

California Cartage Company, Inc., Inland Transportation Corporation and Marine Transport Company operate generally within and between points in the Los Angeles and San Diego areas. Merchants Express of California operates generally between various points in California bounded by the Los Angeles area on the south, on the one hand, and Redding and Crescent City on the north and intermediate points on U. S. Highway 99 and U. S. Highway 101 except between Healdsburg and Willits and south of Salinas, on the other hand.

By this application, authority is sought to establish through service, through routes and joint rates. Authority is also sought to depart from the long-and-short-haul provisions of the Constitution of the State of California and the Public Utilities Code to the extent necessary to establish the joint rates.

The proposed rates are on the same level as the minimum rates named in Minimum Rate Tariff No. 2 except that rates for Class E will be maintained at the same level as Class D rates and no commodity rates will be published for minimum weights of over 30,000 pounds. The class rates maintained by Merchants Express of California are established for all classes except that the rates for Class E are on the level of the Class D rates. Class rates maintained by the other carriers are on the same level as the minimum class rates for all classes. However, all carriers except Inland

Transportation Corporation publish certain commodity rates on the same level as the minimum commodity rates with minimum weights over 30,000 pounds. The possibility exists that the proposed form of publication would result in some instances in joint through rates being higher than combinations of applicants' existing local rates. Section 460 of the Public Utilities Code prohibits such an arrangement.

Applicants also propose to make the proposed joint rates nonintermediate in application, with certain limitations, in accordance with the rule published in Merchants Express of California Local and Joint Freight Tariff No. 2, Cal.P.U.C. No. 9.

Service over applicants' lines between the points involved is now subject to combinations of their local rates. With the possible exceptions hereinbefore indicated, these combination rates are higher than the proposed joint rates. Applicants represent that it will be advantageous to the public to be able to make through shipments over their lines under the lower rates. Applicants propose to transport traffic between all points on the lines of Merchants Express of California, on the one hand, and all points on the lines of each of the other applicants, on the other hand, except points in Los Angeles and San Diego Counties on the lines of California Cartage Company, Inc., and except points in Los Angeles County on the lines of Inland Transportation Corporation. The freight would be interchanged at Los Angeles.

Competing carriers were notified on or about March 21, 1958, of the filing of the application. No objection has been received.

It appears that the establishment of the proposed through service, through routes and joint rates is not adverse to the public interest and should be authorized, subject to the condition that

applicants shall search out and avoid publishing or thereafter maintaining any joint through rate in excess of the combination of applicants' local rates for the transportation of a like kind of property between the same points. Applicants will also be authorized to make the joint through rates subject to the proposed rule governing application of rates from or to intermediate points. A public hearing is not necessary.

Therefore, good cause appearing,

IT IS ORDERED:

(1) That applicants are hereby authorized to establish the through service, through routes and joint rates proposed in the above-entitled application and to make such joint rates nonintermediate in application subject to Item No. 940 (Application of Intrastate Rates From and To Intermediate Points) published in Merchants Express of California Local and Joint Freight Tariff No. 2, Cal.P.U.C. No. 9.

(2) That applicants are hereby authorized to depart from the long and short haul provisions of Article XII, Section 21, of the Constitution of the State of California and Section 460 of the Public Utilities Code to the extent necessary to establish the rates authorized herein.

(3) That applicants shall search out and avoid publishing or thereafter maintaining any joint through rate in excess of the combination of applicants' local rates for the transportation of a like kind of property between the same points. In the event any combination of applicants' published local rates is found to make a lower rate than the joint through rate published pursuant to the authority herein granted, applicants shall immediately adjust the higher through rate in accordance with Rule 7 of General Order No. 80.


(4) That there shall be published in Merchants Express of California Local and Joint Freight Tariff No. 2, Cal.P.U.C. No. 9, to apply in connection with all rates published therein the following provision as required by Rule 7 of General Order No. 80:

"Whenever a class rate and a commodity rate are named between specified points, the lower of such rates is the lawful rate unless some combination of class rates or of commodity rates or of class and commodity rates makes a lower through rate."


(5) That the authority herein granted shall expire unless the authorized rates are made effective within ninety days after the effective date of this order.

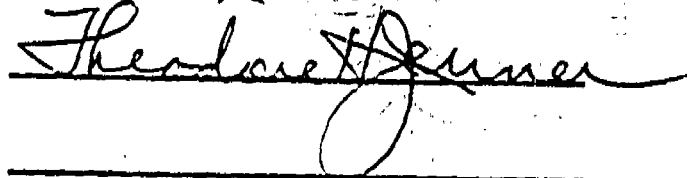
This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 9th day of June, 1958.



President





Commissioners