

Decision No. 57401

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
CONSOLIDATED FREIGHTWAYS, INC., a)	
corporation, (formerly FARNSWORTH)	
AND RUGGLES) for authority to depart)	Application No. 33329
from the rates, rules, and regulations)	(Sixth Supplemental)
of Minimum Rate Tariff No. 2 (formerly)	
Highway Carriers' Tariff No. 2), under)	
the provisions of the Highway Carriers')	
Act.)	

SEVENTH SUPPLEMENTAL OPINION AND ORDER

Consolidated Freightways, Inc., holds radial highway common carrier, highway contract carrier, and city carrier permits. It also holds certificates to operate as a highway common carrier between the San Francisco and Los Angeles areas and between points in southern California. Prior orders in this proceeding have authorized applicant to deviate from the minimum rates, under Sections 3666 and 4015 of the Public Utilities Code, by applying monthly vehicle unit rates, ordinarily restricted to drayage operations, to both the intracity and intercity service for the transportation of iron and steel materials and related articles for Gilmore Steel and Supply Co., Inc., and for two of its affiliates within San Francisco and between San Francisco and points within a 150-mile radius of that city. The authority is scheduled to expire October 27, 1958. Permission is sought to continue to deviate from the minimum rates for a further one-year period. However, applicant proposes rates which are approximately 5 percent higher than those now authorized. It does not seek renewal of the relief heretofore granted to charge less than the minimum rates in connection with vehicles having a capacity of less than 10,500 pounds.

The supplemental application shows that, except for increased costs, the conditions which justified deviation from the minimum rates still obtain. Applicant asserts that, under conditions which can now reasonably be anticipated, it can continue to operate at a satisfactory and reasonable profit for a period of an additional

year under the rates herein proposed.

Interested parties were notified on or about September 4, 1958, of the supplemental application. No objection has been offered to its being granted.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable and consistent with the public interest. This is a matter in which a public hearing is not necessary. The supplemental application will be granted.

The special rate authority herein sought and granted is not applicable to common carrier services.¹ Section 3542 of the Public Utilities Code forbids carriers to operate both as a common carrier and as a highway contract carrier of the same commodities between the same points.² In view of the contract operation involved in this proceeding, a necessary limitation will be placed upon applicant's radial highway common carrier permit to preclude the dual operations prohibited by Section 3542 of the Code.

Therefore, good cause appearing,

IT IS ORDERED:

(1) That Decision No. 47802 of October 7, 1952, as amended, in this proceeding, is hereby further amended by substituting for the rates contained in Appendix "A-1" to Decision No. 55722 dated October 22, 1957, in this proceeding, the following:

<u>Capacity of Carrier's Equipment in Pounds</u>	<u>Column 1</u>	<u>Column 2</u>
Over 10,500	1008	22
Tractors and Semi-Trailers	1102.50	26

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Section 3666 of the Public Utilities Code reads as follows:

"If any highway carrier other than a common carrier desires to perform any transportation or accessorial service at a lesser rate than the minimum established rates, the commission shall, upon finding that the proposed rate is reasonable, authorize the lesser rate."

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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 or as a common carrier and a petroleum contract carrier of the same commodities between the same points."

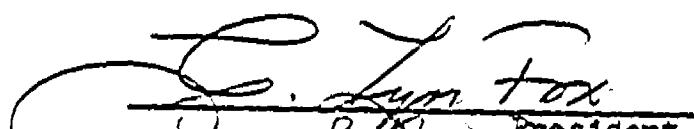
(2) That the expiration date of the authority granted by said Decision No. 47802, as further amended herein, is hereby extended to October 27, 1959, unless sooner changed or further extended by order of the Commission.

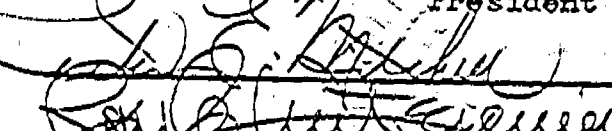
(3) That the permit of Consolidated Freightways, Inc., to operate as a radial highway common carrier is hereby conditioned as follows:

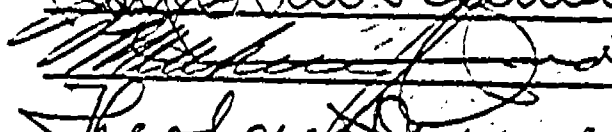
"This permit shall not authorize the transportation of iron and steel materials and related articles between San Francisco and points within a 150-mile radius of San Francisco."


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

Dated at San Francisco, California, this 29th day of September, 1958.



President





Commissioners