

Decision No. 57607

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Lamb Transportation Company,)	
a corporation, for authority to transport)	
ground talc in bulk from Los Angeles to)	Application No. 35273
Kaiser, California, at less than the)	(Sixth Supplemental)
established minimum rates.)	

SIXTH SUPPLEMENTAL OPINION AND ORDER

Prior orders in this proceeding have authorized Lamb Transportation Company, as a highway contract carrier, under Section 3666 of the Public Utilities Code, to deviate from the minimum rate for the transportation of ground talc from Los Angeles to Kaiser for the American Mineral Company. The authority is scheduled to expire October 6, 1958.

By this supplemental application, it is requested that Consolidated Freightways, Inc. be substituted for Lamb Transportation Company in the authority and that Consolidated be authorized to continue to deviate from the minimum rate to and including January 15, 1959.

The supplemental application states that on or before October 6, 1958, Lamb Transportation Company will be merged into Consolidated Freightways, Inc. It also states that Consolidated holds a highway contract carrier permit.¹ Applicant asserts that from its experience of operating Lamb Transportation Company over the past several months, it believes that its costs for the transportation involved will be no greater than are the Lamb costs for

¹ Consolidated also holds radial highway common carrier and city carrier permits. In addition it is authorized to operate as a highway common carrier and as a petroleum irregular route carrier between points not involved herein.

performing the same transportation. It also alleges that as a consequence the shipper, during the interim period involved, should be entitled to transportation under the presently authorized rates. Applicant further asserts that in the intervening period between the date of the conclusion of the merger and January 15, 1959, Consolidated will cause cost study data to be prepared from which the Commission may determine the reasonableness and propriety of further authorizing less than minimum rates.

In the circumstances, it appears, and the Commission finds, that the proposed substitution of Consolidated for Lamb is justified and continuation of the current rate is reasonable. This is a matter in which a public hearing is not necessary. The supplemental application will be granted. In view of the expiration date of the current authority, the following order will be made effective October 6, 1958.

The special rate authority herein sought and granted is not applicable to common carrier services.² Section 3542 of the Public Utilities Code forbids carriersto operate both as a common carrier and as a highway contract carrier of the same commodities between the same points.³ In view of the contract operation

² 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."

³ 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."

involved in this proceeding, a necessary limitation will be placed upon Consolidated'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. 51928 of September 6, 1955, as amended, in this proceeding, is hereby further amended by substituting therein "Consolidated Freightways, Inc." for "Lamb Transportation Company."

(2) That the expiration date of the authority granted by Decision No. 51928, as further amended herein, is hereby extended to January 15, 1959.


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

"This permit shall not authorize the transportation of ground tale from Los Angeles to Kaiser."


(4) In all other respects Decision No. 51928, as amended, shall remain in full force and effect.

This order shall become effective October 6, 1958.

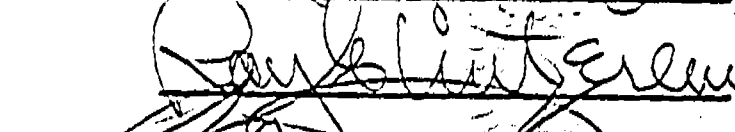
Dated at San Francisco, California, this 29th day of September, 1958.



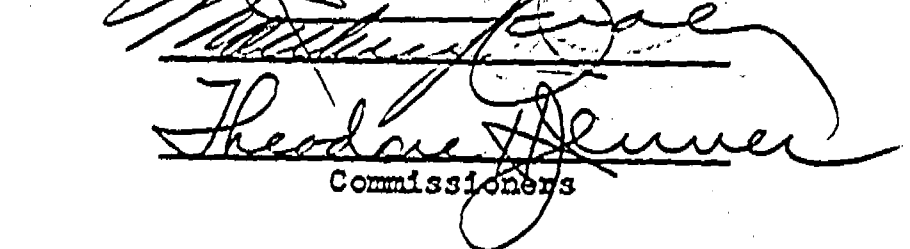
President



Commissioner



Commissioner



Commissioners