

ORIGINAL

Decision No. 57604

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )	
J. P. HAYNES, Agent, for authority )	Application No. 39859
to increase the minimum less- )	As Amended
carload charges per shipment to \$3, )	
subject to X-212. )	

Charles W. Burkett, Jr., and John MacDonald Smith, for J. P. Haynes, Pacific South-coast Freight Bureau, applicant.  
Laurence R. Exley, Arlo D. Poe and J. C. Kaspax, for California Trucking Associations, Inc., interested party.  
R. J. Carberry, for the Commission staff.

O P I N I O N

By the above-entitled application, J. P. Haynes, Chairman of the Pacific Southcoast Freight Bureau, on behalf of all California railroads parties to said bureau, seeks authority to increase the minimum charge per shipment for less-carload traffic to \$3, subject to Tariff of Increased Rates and Charges No. X-212.<sup>1</sup> By amendment, applicant restricts the proposed increase so as not to apply on California intrastate traffic routed via The Atchison, Topeka and Santa Fe Railway from origin to destination.

Public hearings were held before Examiner William E. Turpen, at San Francisco, on October 6, 1958, and at Los Angeles, on October 14, 1958. No one appeared at the hearings in opposition to the granting of the application. A transportation engineer on the Commission staff assisted in developing the record.

<sup>1</sup> Tariff of Increased Rates and Charges No. X-212 is not effective on California intrastate traffic.

An assistant freight traffic manager, rates and divisions, and a senior transportation analyst, both of the Southern Pacific Company, testified on behalf of applicant. The assistant freight traffic manager stated that the purpose of the sought increase is to improve revenues on small shipments for which the cost of handling has increased substantially in recent years. He also stated that the \$3 minimum charge became effective February 20, 1957, on interstate traffic throughout the western states served by the carriers here involved, and now applies on intrastate traffic in Oregon and Nevada. The witness explained that The Atchison, Topeka and Santa Fe Railway handle its intrastate less-carload traffic exclusively by truck and that it is that railroad's desire to keep its charges for such traffic on a parity with competing motor carriers.

The transportation analyst introduced into evidence a study he had compiled of the terminal costs of handling small shipments. In preparing the study, basic cost factors set forth in a study prepared by the Commission staff for Case No. 5432 were used by the witness for platform expenses and for pickup and delivery costs. These were adjusted to reflect costs experienced by Southern Pacific Company. Added to these factors were station clerical and miscellaneous station expenses determined by studies made at seven California Southern Pacific stations. The exhibit shows that terminal expenses for handling small shipments amount to \$3.478 per shipment. The witness explained that the cost figure shown in his exhibit does not include any allowance for the line-haul costs of the shipment.

From the evidence of record, it is clear that the cost of handling small shipments subject to the minimum charge is greater than the sought increased charge.

Upon consideration of all the facts and circumstances of record, the Commission is of the opinion and hereby finds that the proposed increase in minimum charges is justified. The application, as amended, will be granted. Applicant has also requested authority to publish the proposed increased charge on less than statutory notice. This request appears to be reasonable and will be granted.

ORDER

Based on the evidence of record and on the findings and conclusions set forth in the preceding opinion,

IT IS ORDERED:

1. That J. P. Haynes, Agent, Pacific Southcoast Freight Bureau, be and he is hereby authorized to establish, on not less than five days' notice to the Commission and to the public, the increased minimum charges as proposed in the application, as amended, filed in this proceeding; provided, however, that the Tariff of Increased Rates and Charges No. X-212 shall not be applicable unless and until authorized by further order of the Commission.

2. That the authority herein granted shall expire unless exercised within sixty 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 10th day of November, 1958.

[Signature]  
President  
[Signature]  
[Signature]  
[Signature]  
Commissioners