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Decision No. <u>57698</u>

ORIGINAL

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 (Third Supplemental)

SUPPLEMENTAL CPINION 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 Day Cartage Zone,¹ and generally between San Francisco, Salinas, Monterey, Sacramento and Stockton 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, 1958.

By this supplemental petition authority is sought to continue to maintain this rate for a further one-year period. The supplemental petition states that conditions upon which the initial request was predicated continue to exist; and that since the latest request for extension of this authority adjustments have been experienced in many of the expenses involved. Exhibit "B" attached to the application indicates that, based upon existing costs, petitioner's

The San Francisco-East Bay Cartage Zone is defined in Decision No. 50872, dated December 14, 1954, in Case No. 5535 (53 Cal.PUC 696).

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overall hourly rental service has an operating ratio of 92.71 percent. It is alleged that individual expenses used to determine running costs have both increased and decreased and the net effect of the adjustments as shown by petitioner is an overall decrease of \$0.0072 per mile. Petitioner further alleges that the net result of increased wages from \$2.759 to \$2.95 per hour effective June 29, 1958, and a reduction in the Board of Equalization's gross tax from 3 to 1.5 percent during the past year is a slight increase in direct and indirect hourly costs.

Petitioner states that certain store consolidations have benefited its operation by permitting greater utilization of the equipment, increasing the revenues, and lowering the overall operating ratio. Petitioner avers that it will receive, under the rate herein proposed, a satisfactory return from the operation during the ensuing year. The Transportation Division staff has reviewed the supplemental petition and recommends that it be granted.

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.

Therefore, good cause appearing,

IT IS ORDERED that A & B Garment Delivery of San Francisco, a corporation, is hereby authorized, on not less than five days' notice to the Commission and the public, to publish an expiration date of December 25, 1959, 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,

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dba A & B Germent Delivery of San Francisco) and in Item No. 2040 of Pacific Motor Tariff Bureau Local Freight Tariff No. 8-A, Cal.P.U.C. No. 1, Leland C. Smith, Alternative Agent (Series of D. W. Baker, Agent).

The effective date of this order shall be December 25, 1958. Dated at Los Angeles, California, this _____ day of December, 1958.

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