

Decision No. 57737

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
RED LINE CARRIERS, INC., a corpora-)	
tion, for authority to depart from)	
minimum rates, rules and regulations)	Application No. 40487
applicable in connection with certain)	(First Supplemental)
transportation to be performed for)	
UNION FURNITURE CO., a corporation.)	

FIRST SUPPLEMENTAL OPINION AND ORDER

Applicant holds radial highway common, highway contract, household goods and city carrier permits. Decision No. 57468, dated October 15, 1958, in this proceeding, authorized it, under Section 3666 of the Public Utilities Code, to deviate from the minimum rates by using monthly vehicle rates, instead of the weight and distance rates otherwise applicable, for transportation performed for Union Furniture Co. That authority is scheduled to expire December 20, 1958.

By this supplemental application authority is sought to continue to deviate from the minimum rates. Applicant proposes, however, to increase the additional hourly rate in excess of 8 hours per day from \$4.80 to \$5.36; the hourly charge for an additional man, other than the driver, from \$3.65 to \$3.85 and the monthly base rate from \$1,060 to \$1,150.

The supplemental application alleges that, except for increases in the cost of operation, the conditions which justified deviation from the minimum rates still obtain; and that the proposed increase in rates will offset the higher operating cost. Applicant further alleges that the proposed rates will yield a fair and adequate return for the transportation involved herein. A cost study submitted with the application shows that, under the

proposed rates, the operation may reasonably be expected to be profitable for the ensuing year. The Transportation Division staff has reviewed the supplemental application and has recommended that it be granted.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable. A public hearing is not necessary. The supplemental application will be granted. However, as the conditions surrounding the transportation may change, the extension will be limited to one year unless sooner canceled, changed or extended by order of the Commission. In view of the expiration date of the current authority, the following order will be made effective December 20, 1958.

The special rate authority herein sought and granted is not applicable to common carrier services (Public Utilities Code, Section 3666). 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. In view of the contract carriage involved in this proceeding, a limitation will be placed upon applicant's radial highway common carrier permit to preclude the dual operations prohibited by Section 3542 of the Code. The form of limitation hereinafter provided is consistent with the proposal of applicant's counsel responsive to the requirements of Decision No. 57468, supra.

Therefore, good cause appearing,

IT IS ORDERED:

(1) That Decision No. 57468 of October 15, 1958, in this proceeding, is hereby amended by substituting in Appendix "A" attached thereto the base rate of "\$1,150" for "\$1,060," the rate of "\$5.36" for "\$4.80" in paragraph (a), and the rate of "\$3.85" for "\$3.65" in paragraph (f).


(2) That the expiration date of the authority granted by said Decision No. 57468, as amended herein, is hereby extended to December 20, 1959, unless sooner canceled, changed or further extended by order of the Commission.

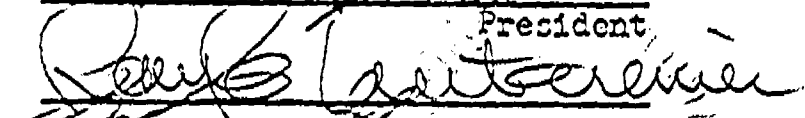
(3) That the permit of Red Line Carriers, Inc. to operate as a radial highway common carrier is hereby conditioned as follows:


"This permit shall not authorize the transportation of property from San Jose to points within 125 actual miles of San Jose."

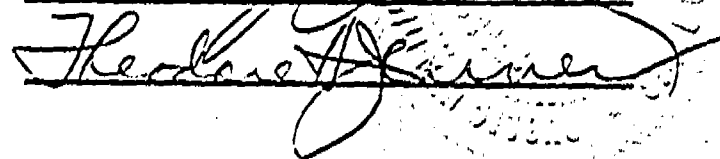
The effective date of this order shall be December 20, 1958.

Dated at San Francisco, California, this 16th day of December, 1958.



President






Commissioners