A. 40942-S

Decision No. <u>58241</u>

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) CALLISON TRUCK LINES, INC., and) Walter E. Mendenhall and Wilbur N.) Mendenhall, partners doing business) as MENDENHALL TRANSPORTATION CO.) for authority to establish joint) through rates and routes.)

Application No. 40942 (As Amended)

OPINION AND ORDER

Applicants are highway common carriers of general commodities. Callison Truck Lines, Inc., operates generally between the San Francisco Bay area, on the one hand, and points north of Laytonville to and including Crescent City and intermediate points on, or adjacent to, U.S. Highway 101, on the other hand. Mendenhall Transportation Co. operates generally between Eureka and Forks of Salmon, including intermediate points, and between Eureka, on the one hand, and the territory Carlotta, Ruth and Zenia, including intermediate points and the off-route points of Alderpoint and Fort Seward, on the other hand. Applicants currently maintain joint class rates on the level of the minimum rates subject to minimum weights of 20,000 pounds or less between certain Bay area points and Blue Lake, Essex, Glendale and Korbel. They also maintain joint class rates on the level of the minimum rates between certain Bay area points on the one hand, and the territory Carlotta to Ruth and Zenia, inclusive, on the other hand, for all classes except that the rates for Classes C, D and E are maintained on the Class B level.

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Decision No. 49851, dated March 30, 1954, in Application No.35192.
Decision No. 52432, dated January 4, 1956, in Application No. 37479.

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By this application, as amended, authority is sought to establish, on less than statutory notice, through service, through routes, and joint rates between all of the points served by applicant, Callicon fruck Lines, Inc., in the San Francisco Bay area and all points served by applicant, Mendenhall Transportation Co., as set forth in Exhibit "B" of the application, as amended. Freight would be interchanged at Eureka. The sought joint rates are on the same level as the minimum class rates named in Minimum Rate Tariff No. 2, subject to minimum weights of 20,000 pounds or less. Authority is also sought to depart from the long-and-short-haul provisions of the Constitution of the State of California and the Public Utilities Code to the extent necessary to establish the joint rates.

Service over applicants' lines between the points for which joint rate authority is not now covered is currently subject to combinations of their local rates. These combinations are higher than the proposed joint rates. Applicants represent that it will be advantageous to the public to make through shipments over their lines under the lower rates.

The application shows that, on or about March 19, 1959, a copy was served on competing carriers. An amendment which corrects certain minor errors was subsequently filed. No objection has been received to the granting of the application.

It appears that the establishment of the proposed through service, through routes, and joint rates, on ten days' notice, is not adverse to the public interest and should be authorized, subject to the condition that applicants shall search out and avoid publishing or thereafter maintaining any joint through rate in excess of the combination of applicants' local rates for the transportation of a like kind of property between the same points. The application, as amended, will be granted. A public hearing is not necessary.

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Therefore, good cause appearing, IT IS ORDERED:

(1) That applicants are hereby authorized to establish, on not less than ten days' notice to the Commission and the public, the through service, through routes, and joint rates proposed in the above-entitled application, as amended, and to depart from the longand-short-haul provisions of Article XII, Section 21, of the Constitution of the State of California, and Section 460 of the Public Utilities Code to the extent necessary to establish the rates authorized herein.

(2) That applicants shall search out and avoid publishing or thereafter maintaining any joint through rate in excess of the combination of applicants' local rates for the transportation of a like kind of property between the same points. In the event any combination of applicants' published local rates is found to make a lower rate than the joint through rate published pursuant to the authority herein granted, applicants shall immediately adjust the higher through rate in accordance with Rule 7 of General Order No. 80.

(3) That the authority herein granted shall expire unless exercised within ninety 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 <u>7</u>day of April, 1959.

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President Commissioners