A. 42049-ams

Decision No. 59959

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Decision No. THE STATE OF CALIFORNIA

In the Matter of the Application of)
W. J. TANNAHILL, M. F. TANNAHILL,
and E. J. TANNAHILL, copartners
doing business under the name and
style of W. J. Tannahill & Sons,
for authority to deviate from
the established minimum rates.

Application No. 42049

OPINION AND ORDER

Applicants hold radial highway common, highway contract and city carrier permits. Decision No. 58200, dated March 31, 1959, in Application No. 40895, authorized applicants to assess rates and charges lower than those prescribed as minimum for the transportation of lumber and other forest products, except sash and doors, for the Owens-Parks Lumber Company from the shipper's yard at Vernon to points within a radius of 30 miles thereof. The authority permits the assessing of a rate of \$2.90 per thousand board feet subject to hourly penalty charges, in lieu of the minimum rates which are subject to a weight basis and a distance factor. The current authority is scheduled to expire April 30, 1960. By this application, filed March 16, 1960, authority is sought to continue to deviate from the minimum rates and to increase by twenty-five cents the rates and charges presently authorized.

According to the application the proposed rate and charges have been continuously assessed since July 1, 1959. Applicants allege that the aggregate gross revenue on the subject traffic, by application of the thousand board foot rate, is substantially greater than would result if the minimum rates, on a weight basis, were applied; that there has been no substantial change which affects the operating conditions to an extent that would warrant any change in the present method of handling the traffic; and that the conditions which justified deviation from the minimum rates still exist. Applicants state that the Owens-Parks Lumber Company business represents more than

99 per cent of all of applicants' traffic, and that it is imperative to the applicants that this traffic be retained.

The application shows that on or about March 16, 1960, a copy thereof was served on the California Trucking Associations, Inc. No objection to its being granted has been received. The Transportation Division staff has reviewed the verified application and has recommended that it be granted.

In the circumstances, it appears, and the Commission finds, that the proposed rate and charges are reasonable and consistent with the public interest. A public hearing is not necessary. The application will be granted. Because the conditions underlying the service may change, the authority will be limited to a one-year period unless sooner changed, canceled or extended by order of the Commission.

Therefore, good cause appearing,

IT IS ORDERED:

(1) That W. J. Tannahill, M. F. Tannahill, and E. J. Tannahill, copartners doing business as W. J. Tannahill & Sons, are hereby authorized to transport lumber and forest products, as described in Item No. 660 on Original Pages Nos. 52, 53 and 54, of Minimum Rate Tariff No. 2, except sash and doors, for the Owens-Parks Lumber Company from the lumber company's yard at Vernon to points within a radius of 30 miles thereof, as computed in accordance with the rules in Distance Table No. 4, at rates less than the established minimum rates, but not less than \$3.15 per thousand board feet, subject to the following additional charges:

Hourly penalty charges shall be assessed in addition to the foregoing for unnecessary delays in loading, C.O.D., and all other delays, in accordance with the following basis:

\$3.25 per hour for trucks of 2 tonscapecity or less.

\$3.75 per hour for trucks of over 2 tomscapacity.

(2) That the authority herein granted shall expire April 30, 1961, unless sooner changed, canceled or extended by order of the Commission.

This order shall become effective April 30, 1960.

Dated at San Francisco, California, this // day

of April, 1960.

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